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ITALY'S NEW SYNDICALIST CONSTITUTION

IN theory Fascism has already given place to syndicalism and in practice also the change is progressing rapidly. This fact still receives scant notice outside Italy and even within Italy the transformation is being engineered so skillfully as to be almost imperceptible to the layman. The word "Fascism" is, of course, more universal than ever, but its meaning has undergone a radical change. Strictly speaking, Fascism was originally the tactics of the *fasci di combattimento*, those militant squads of young patriots who helped break the peasant revolt, who took municipal government into their own hands, who banded together for the march on Rome, and who, long after they had been given the government of the nation, continued to break the opposition by means of punitive expeditions, terrorist raids and political murders.

After the Matteotti murder in the summer of 1924, the Thermidorian reaction set in and the majority of Italians, both within the Fascist party and outside it, turned definitely against this so-called "intransigent" Fascism. To be sure, Farinacci, the recognized leader of this brand of Fascism, was made general secretary of the party; but this was merely a police measure, necessary to bridge the crisis and to give a semblance of intransigency on the orator's platform, while in comparative quiet the government was weeding out the squadrists. Immediately after Farinacci's thankless task of defending the Matteotti murderers at their trial in March, 1926, he himself was retired from national politics, in the interests of "discipline" and the Mussolini government.

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Since then the work of "purification" has been going on steadily, much to the surprise of many Fascists, who do not see how so much purification is possible in so pure a band of heroes. To these it is explained that it is not "Fascists" who are being weeded out, but merely the last remnants of the vile *old* bureaucracy—in which statement there is a grain or two of truth. After the outburst of Fascist reprisals following the attempt on Mussolini's life at Bologna, Mussolini began to talk "discipline" in earnest, and in January he issued a strong message to the prefects of all the provinces, commanding them to prevent any further illegalism. "Now that the State is armed", he wrote, "there are still some 'left-overs' which must disappear. I mean 'squadrism', which in 1927 is simply anachronistic and sporadic, but which nevertheless bursts out tumultuously in moments of public excitement. Such illegalism must stop." And he even went so far as to give strict and public orders to the regular police of the country to use their arms, if necessary, against any illegalism among the blackshirts. This may be said to mark at least the official end of the Fascism of the *fasci*.

But with these typical actions of the revolutionary *fasci* are retreating also many of the more general political structures and ideas of early Fascism. The National Fascist Party, for example, which at its foundation in 1921 was itself the first great blow to the *fasci*, since it imposed a national hierarchy on hitherto fairly autonomous groups, but which is now the stronghold of the militia and of Fascist display of force, is being increasingly restricted both in its organization and its activities. The politics of the dictatorship, of "down with parliament", of the new aristocracy, of Mussolinianism and kindred products of the march on Rome, are gradually giving ground to the "economic organization of producers", the legal and judicial recognition of syndicates, the organization of national corporations, and finally the talk about "organic representation" and a syndicalist parliament. The "Fascist state" is being enlarged into the "corporate state", and though the two are generally identified, some Fascist writers go so far as to say that Fascism was merely a necessary means for introducing

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national syndicalism. The newspapers take the trouble to deny at length that elections are imminent. Mussolini himself was willing to say to a foreign correspondent and for foreign consumption that Fascism is a "dictatorship tending towards democracy." But whatever the language employed, the fact is clear that the emphasis is rapidly shifting from the *fasci* and the militia to the national hierarchy of syndicalist associations as the foundation of the "Fascist" régime and the essence of the Fascist revolution. Back in March, 1919, the date of the founding of the *fasci*, Mussolini himself admits, "we did not think of founding syndicate organizations." But now he hails the new syndicalist law as the *fascistissimo* of all reforms. This implies, of course, neither a contradiction in theory nor a violent change in practice. It merely means that Fascism is moving, is assuming a positive direction and laying the foundations of a presumably permanent reform.

It is impossible in the short space of an article to give an outline of the evolution of Fascist syndicalism. All I attempt to do here is to record the events which led to the founding of the syndicalist order and to give a résumé of the fundamental laws and decrees which serve as its constitution; pointing out as I do so the various interests and groups which are involved and which Fascism claims to have unified and which it has at least succeeded in organizing.

On the subject of syndicalism, the Fascisti fall into several groups, not very clearly definable, but nevertheless representing distinct points of view. There is first of all the original Mussolini group of 1919, now quite extinct, since most of the early leaders have been banished and Mussolini himself has changed his views several times. They were really not syndicalists at all, but favored economic councils of experts, modeled on the new German plan; in fact, in his original program Mussolini quoted Kurt Eisner's scheme word for word. This view was expounded by Massimo Rocca at the foundation of the party in 1921 and it was he who, besides Mussolini himself, was largely responsible for the formation of groups of experts (*gruppi di competenza*) organized even before the march on Rome and including members from other parties, notably Lib-

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erals. These groups, according to certain syndicalists, were to become boards of arbitration and were to be embodied in the official machinery of government. But only a few of them were actually created and these exercised only advisory functions. One of them, that on schools, was abolished as soon as it showed itself hostile to the Gentile Reform.

Secondly, there is a group of Nationalists who, some of them at the time of the Tripoli War, others during and after the World War, have taken up syndicalist ideas and developed them in the interests of national solidarity. The extreme wing of this movement is represented by D'Annunzio and his group, from which came a number of leading Fascists, notably Dino Grandi and Forges-Davanzati. But more representative are men like Enrico Corradini and Alfredo Rocco. The latter, formerly corporation counsel, so to speak, of the Confederation of Fascist Syndicates, is at present Minister of Justice and has steered the recent syndicalist legislation through Parliament. He was one of the first to expound the theory of this type of syndicalism. As early as 1914 he urged a revival of the medieval "corporations" and in 1920 he laid down the general theory of syndicalism which the Fascisti have adopted with some modifications. The theory is similar to that outlined by Durkheim in France, though it is supposed to be merely a continuation of the ideas of Mazzini.

Thirdly, there is an important group of formerly orthodox Sorellian syndicalists, who have kept the main ideas of revolutionary syndicalism, except that they have abandoned its anarchism and internationalism and look forward to a syndicalistic organization of Italian labor, recognized and protected by the state. A number of these leaders, having abandoned their socialistic friends in the crisis, joined the Fascists, among them A. O. Olivetti, Michele Bianchi, Agostino Lanzillo, Sergio Panunzio.

Fourthly, there is a closely allied group of idealists who have embraced national syndicalism as a practical expression of the idealistic theory of the state as the organized hierarchy of spiritual values, the synthesizer of class antitheses, the unifier of politics and economics, science and religion, etc. Gentile him-

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self, but more actively some of his younger disciples, like Curzio Suckert and Giulio de Montemayor, have developed this theory. They have insisted much more on "integral" or corporational syndicalism than the Sorellian syndicalists just mentioned, who still have a suspicion that there may be some sense in the class struggle theory. These idealists have strongly supported (on paper) the practical work of Rossoni and his group, to whom we now proceed.

Closely allied to these last three groups, whose leaders are predominantly "intellectuals", is a fifth group of practical labor organizers. Immediately before the war their leader was Filippo Corridoni, who organized the general strike, preached armed revolution, when the war broke out joined the Garibaldi brigade of Italian volunteers on the Argonne Front, and later on in the war was killed. In the meantime a young man named Edmondo Rossoni was trying to organize Italian I. W. W.'s in the United States. But, disillusioned by the discovery of the exploitation of one nation's proletariat by that of another, he returned to Italy, became patriotic, and even during the war began organizing tricolor syndicates. He and his associates (prominent among them Guido Pighetti) had little success at first, but after the break-up of the Red revolt in 1920, the success of Fascist squads and the retaliatory tactics of the growing organizations of landed proprietors and industrialists, peasants first and then industrial laborers flocked by the thousands into Rossoni's syndicates. Rossoni then took up the ideas of the Nationalists and endeavored to organize national "corporations", which would embrace not only all of Italian labor but the employers as well. In agriculture, where the distinction between employer and employee is less clear, he even succeeded in organizing "mixed" syndicates, in which small proprietors and peasants would belong to the same syndicate. In fact, as the peasants flocked into the national syndicates, the proprietors and small tenant farmers became alarmed. They saw the unions which they had believed killed and buried, resurrected almost overnight, flying the national tricolor instead of the red flag, and ready once more to offer an almost solid front. In this fearful situation, partly voluntarily, partly

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by the force of some of the Fascist squadrists (in Romagna especially), the landlords suddenly conceived an unheard-of sympathy for their peasants, joined their syndicates and chimed in on the chorus of the "solidarity of producers". In the industrial field Rossoni had less success in forming mixed syndicates, but he succeeded in inducing a large number of employers' syndicates to "adhere to the corporations". Thus, either by mixed syndicates or by syndicates of employers affiliated with those of employees, he was uniting all classes of Italians into a few national corporations ("industrial" unions), such as Maritime Transportation, Railroads, Industry, Agriculture, etc.

As soon as Mussolini and his group saw the success of this movement, they made overtures to it. Having failed successively to bring about coalitions with the Republican, Liberal, Socialist and Popular Parties, Mussolini finally (1921) joined forces with the Nationalists and the National Syndicalists, a coalition which a year later carried him into power. No sooner had he arrived at power, than he turned over local government to a combination of squadrists and syndicalists, while he devoted himself to foreign affairs. The "Fascist" syndicates now grew at an enormous rate, soon eclipsing all rival organizations. This was due in part to the desire of labor leaders to get on the band wagon, in part to the desperate belief among laborers that their only refuge lay in these syndicates, in part to the system instituted whereby labor organizers were paid by the number of membership cards they were able to sell.

In the meantime, the industrialists and employers were not asleep. They had kept their General Confederations intact, and after the Fascist revolution had quietly changed their name to the General *Fascist* Confederations of Industry, Agriculture, etc. Soon they found themselves not only economically well intrenched but also with a number of influential friends in the government. The Rossoni group soon discovered that it was making little progress in getting employers' organizations to join its "corporations" and a few serious "Fascist" strikes soon opened everybody's eyes to the fact that the class struggle was in a fair way to be renewed. In vain the syndicalists tried

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to persuade the government to recognize their corporations as the only official Fascist organization. Especially the *laissez-faire* liberals, headed by De Stefani, the Minister of Finance, were averse to anything that smacked of a "labor monopoly". In vain they pleaded that class interests must be subordinated to the nation, that the ideal unity of Italy must find its counterpart in an "integral" economic organization. The political atmosphere became heavily charged and the supposed unity of the Fascist party was endangered.

Disorders, graft, factions, personal feuds, growing dissent, and parliamentary hostility finally forced Mussolini to realize that something more radical had to be done, if the Fascist revolution was not to degenerate into a chaotic mass of political parvenus and conflicting group interests. Accordingly, on December 20, 1923, he called the heads of the rival organizations to a meeting in the Chigi Palace, Rome. He presented a resolution asking the two confederations in the interests of industrial peace and of promoting more cordial relations between employers and employees and their organizations: (1) to cooperate in organizing, the one the employers, the other the employees; (2) to name a permanent commission of ten, five from each confederation, for the purpose of coordinating the activities of the two organizations and resolving any disputes arising between them. After a reply by Benni in behalf of the Confederation of Industry and "several observations" by Rossoni in behalf of the Confederation of Syndicate Corporations, the resolution was adopted. Mussolini took this opportunity to say very frankly: "Rossoni will not be grieved when he sees that the attempt to carry integral syndicalism into the industrial field has not succeeded. Moreover Rossoni has understood perfectly from his very first defeats that what can be done in the field of agriculture, which has its own special economy, can not be done in the field of industry."[1] On February 21, 1924, a similar agreement was made for the rival agricultural confederations, and on the same day also for those of commerce. At this last meeting it was hinted that the economic councils would

[1] *v.* Benito Mussolini, *La Nuova Politica dell'Italia,* vol. II, pp. 137-8.

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be given a corporate organization and attached permanently to the government.

Whether Rossoni was grieved or not at these developments, they seemingly marked the definite failure of his deep-laid plans. But he was not so easily discouraged. Circumstances favored him, for a little later the Matteotti affair threw everything into the air again, and created an atmosphere in which his labor organizations grew in power and popularity not only among the laboring classes, but among the left-wing elements of the middle class as well, especially among the Fascist *intelligentsia*. Meanwhile Mussolini realized that more drastic reforms were necessary and accordingly, in August, the Grand Council of the Fascist Party appointed a Commission of "five Senators, five Deputies, and five Scholars" to undertake the study of Constitutional Reform. Mussolini charged them with the task of studying:

1. Relations between the executive and legislative powers.
2. The State and the press.
3. The State and institutions of credit.
4. The State and secret societies.
5. The State and international parties.
6. Syndicates.
   (a) The State and national economy.
   (b) Legal recognition of syndicates.
   (c) A body of labor laws and principles for regulating and enforcing labor contracts in industry and the creation of arbitration tribunals.

This enormous task was practically impossible, especially in view of the turbulent political situation at the time. These "Solons", as they came to be called, began by a rather conservative reconstruction of the relations between the executive and the legislative powers, recommending the considerable strengthening of the executive, the abolition of all "administrative functions" of Parliament, Senate reform, and a number of minor technical measures, all of which were explained to signify little more than a "return to the sound principles of the constitutional order". Such recommendations were already out of

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date, since in the meantime the Aventine Secession had taken place and Mussolini was governing with a rump Parliament which was really no Parliament at all. The Fascisti were already openly preaching more radical measures, one group an outright despotism without any Parliament, and another various experiments in economic representation. As a consequence the only really vital part of the Commission's work was the syndicalist program. Hence they proceeded to consider these more fundamental issues. After a slight reorganization, adding three new members and making Senator Gentile chairman, the Commission went to work on Number 6 (a and b), to which fundamental problems it largely confined its attention from then on. It was led in this by the syndicalist members of the commission, among whom was Rossoni himself.

Finally they became conscious of the fact that they were designing a new state. The second and greater half of their final report of July, 1925, is accordingly a comprehensive analysis of the Corporate State. It recommends the legal recognition of syndicates, and a system of Corporate Chambers to take the place of the provincial chambers of commerce, labor or agriculture, abolished by the Fascist revolution. These Chambers were to be constituted as follows: the nation to be divided into three "orders": (1) professional men, artisans and public employees, (2) agriculture and agricultural industry, (3) industry, commerce, proprietors of buildings and movable property. The members of the various syndicates in each order were to elect representatives to a Provincial Chamber. Each of three Provincial Chambers was to have a council and an assembly. The three Chambers taken together would constitute the Provincial Corporate College. Each Provincial College would have its council and assembly. The Provincial Colleges were to elect their representatives to the National Corporate Council, which would elect its own president. This Council was to be divided into three committees, corresponding to the three orders. These bodies, both provincial and national, would have complete charge of the administration of economic affairs, the judging of labor disputes, recommending appropriate measures to the government, etc. The government

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would have the right to interfere at any point of this organization, but if it dissolved any corporate body, a new one would have to be constituted within six months. It was suggested that the National Corporate Council might form a third chamber of Parliament, but the majority of the Commission favored a scheme whereby one half of the deputies would be elected by the Provincial Corporate Colleges, to sit with the other half elected as at present. The Senate was to remain unchanged.

Such, in bare outline, was the new order proposed by the Commission of 18. But there were differences of opinion even within the Commission. Some of the liberals had certain general objections to the scheme as a whole, which they formulated as follows: the system forces the citizen into the narrow confines of his separate economic interests or categories and thus makes impossible any consideration of the general national welfare. The ideal unity and historical continuity of the state is sacrificed to a hierarchy of private interests. The so-called reform is but a "sentimental reaction" toward old-fashioned democracy, except that it robs the sovereign of some of his political functions, and retains some of the "socialistic superstitions" according to which the citizen is merely an economic producer.

Then there were some nationalistic syndicalists who preferred compulsory membership in a single syndicate for each trade. This would make the syndicates direct governmental organs. Instead of labor contracts, there would be "administrative labor decrees and arbitration", and strikes would be crimes prohibited by law. On the other hand, some Sorellian individualistic syndicalists objected to the corporations as subjecting the syndicates, which ought to remain spontaneous and free for "economic action", too much to governmental control. One of the experts consulted by the Commission, Pighetti, welcomed the corporations, but preferred a larger number, affiliated each with one of the ministries of the government, and acting as advisory bodies, thus carrying on the work of the *gruppi di competenza*. He wanted to put them more directly under the power of the ministers, substituting for elections by the syndicates an outright appointment of one third of the councillors by the ministry and a selection of the other two thirds by the

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ministry from a list prepared by the National Corporate Council as a whole. In general he emphasized the need of "disciplining the masses" by state-controlled organizations, while the Commission (especially its secretary, Costamagna) emphasized the reform of representation and democratic control.

Angelo O. Olivetti emphasized even more than the general report of the Commission did, the rights of the syndicates to adequate representation. He attempted a more detailed definition of the respective functions of syndicates and corporations, assigning to the syndicates all technical regulation of conditions of labor in any single field, and reserving for the corporations all political functions, *i. e.*, those of adjustment, judicial decision, legal recognition of contracts, etc. He was careful to keep all political matters out of the hands of the syndicates, on the ground that it was very important "to prevent the politics of the politician, which is today penetrating and poisoning the whole life of the syndicates, from penetrating also the corporations to make them a matter of political speculation." For this same reason he and others welcomed the Commission's proposal of provincial, rather than traditional, municipal chambers of labor as established by the socialists.

The reader will observe that this program is dominated by so-called "integral" syndicalism and its corporations. In fact, though there were a number of syndicalists on the Commission, to say nothing of Rossoni himself, the industrialists' and employers' organizations had no direct representatives at all.

The report immediately caused much excitement. The Confederation of Industry let it be known that serious modifications were necessary; the corporations would have to be "de-integralized" and the syndicates could not be "mixed." Rossoni was reminded that he had been told once before that he and his confederations would not be allowed to have a monopoly over the political organization of Italian economic life. And so matters drifted, each side in the meantime trying to strengthen its hold. Rossoni had more power now than before, not only because of the prestige which the Commission's report gave him, but also because during the last year the remains of the opposition syndicates, both "red" and "white", had practically disappeared (at least in the North).

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Finally the government intervened again. On October 2, 1925, Farinacci, then General Secretary of the party, called the heads of the rival confederations together and an agreement was concluded known as the Pact of the Vidoni Palace, which laid the practical foundation for recent labor legislation. In this pact the two confederations not only recognized each other as the official and exclusive representatives, the one of labor, the other of the industrialists—a recognition which they had already made two years before—but went on to stipulate that:

> All contracts between industrialists and labor leaders must be made between dependent organizations of the Confederation of Industry and those dependent on the Confederation of Corporations. Consequently, internal commissions in the factories are abolished and their functions devolve upon the local syndicates, which will exercise them only in connection with the corresponding industrial organizations.

A few weeks later this agreement was legalized by Royal Decree, thus giving legal recognition to collective labor contracts even before the syndicates themselves were recognized. This pact definitely settled (a) the supremacy of Rossoni's syndicates among labor organizations, (b) the failure of his corporations to include employers' organizations. Meanwhile the Commission's Report had been taken up by the Grand Council of the Fascist party and the draft of a bill had gone to the committee of the Chamber of Deputies which submitted it to Parliament. It is commonly believed that the Commission's Constitutional Reform was in general adopted. Certainly Rossoni did not hesitate to claim a victory for Fascist labor organizations. The "voice" indeed was his; but the "hands"?

We are now prepared to examine the law itself, and to note, as we go along, the important developments which took place and are still taking place as it is being put into effect. It is known as the law of April 3, 1926, number 563, entitled "The Legal Discipline of Collective Labor Relations", and its articles and chief provisions may be summarized as follows:[1]

[1] Only the words enclosed in quotation marks are those (in translation) of the Act itself. Other provisions are summarized, omitting minor clauses.

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Part I

"Of the legal recognition of syndicates and of collective labor contracts."

Article 1

"Associations of employers or of laborers, intellectual or manual, may be legally recognized if they meet the following requirements:"

(1) *They must include (or in the case of employers' associations, must employ laborers who include) at least ten per cent of the workers in the trade which they represent.*

(2) *They must have educational and benefit as well as economic functions.*

(3) *The directors must give proof of "capacity, morality and unswerving national loyalty."*

The low figure of ten per cent was necessary, not in order to favor Fascist organizations in preference to opposition organizations (as the opposition charged), but rather in order to include those provinces, especially in the South, in which *any* labor organization still includes but a small percentage of the workers.

Anti-Fascist organizations can easily be excluded under (3). The Reform Commission's formula on this head was more generous, requiring merely that the syndicate must not be contrary to "the general interests, in respect of moral and economic ends." It was, of course, a foregone conclusion that only Fascist organizations would receive recognition; but the *theory* is that hereafter the syndicates must not be the recognized agents of any political party whatsoever.

Article 2

Associations, orders or colleges of those exercising free professions, may be legally recognized, and existing laws will be revised accordingly.

The Reform Commission had expressly excluded associations of the professional classes, since they were governed by exist-

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ing laws. It had erected them into one of the three "orders" of the state. But there were also traditional reasons for not recognizing such associations; first it would raise the whole question of church orders in the state and secondly, traditional syndicalism had fought shy of "middle class" syndicates. In the meantime, however, Rossoni had discovered that the "intellectuals" were his allies, and accordingly it was announced that the Fascist régime was anxious to organize the professions along with other "producers". Hence the explicit coupling of them with the working classes in Article 1. More recently, as we shall see, Rossoni has succeeded in bringing the "Intellectual Corporations" definitely under his sway.

Article 3

"The associations mentioned in the preceding articles must comprise only employers or only employees.

"Associations of employers and those of employees may be united by means of central coordinating bodies with a common hierarchy of higher officials, always maintaining, however, the separate representation of employers and employees and, in the case of associations comprising several categories of employees, of each category of employees."

Article 3 of the original bill read:

> The associations mentioned in the preceding articles may comprise employers alone, or employees alone or employers and employees together.
>
> Mixed associations of employers and employees must have special and separate organs for the representation of employers and of employees and, if they comprise several categories of employees, for that of each of these categories; and also common organs for the whole association.

The parliamentary committee amended it by recognizing no mixed syndicates at all and by striking out the second paragraph completely, giving as its reason: "Mixed associations are in practice nothing but coordinating and conciliating bodies,

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and these can continue to develop their lines of activity very well without legal recognition."

The opposition to the mixed syndicates came both from the employers, as we have seen above, and also from international labor bodies, who would not recognize Fascist syndicates, because they contained employers. On this subject Minister Rocco, in introducing the amended bill to the Senate said:

> This does not imply, and I wish to say this explicitly, the exclusion of mixed syndicates. The silence of the law does not mean their prohibition, but merely confirms the present facts, for this type of syndicate is not yet known at present. I know very well that there are prejudices of an international kind against mixed syndicates, but we can not always give such prejudices a favorable hearing. International legislation is dominated by the principles of class struggle, which we are happy to have overcome in Italy. Personally I admit I am very sympathetically inclined toward mixed syndicates. I believe that they contain no dangers whatsoever and that they offer many advantages: above all, psychological advantages, notably the possibility of making evident the intimate solidarity by which all the factors of production are bound together. For we must make everyone understand, industrialists as well as workers, that there is an absolute solidarity between the various factors of that most important of all the aspects of economic life, production.

Accordingly Rocco supported Rossoni, who, not willing to see integralism sacrificed entirely, offered an amendment which was carried and which constitutes the second paragraph of Article 2 as given above. It substituted for mixed syndicates, in seemingly innocent terms, the mixed "central coordinating bodies" which in ordinary syndicalist terminology were known as corporations. In fact this vague little paragraph and a similar one in Article 10, slipped in by Rossoni when nobody was looking, later became the chief legal basis for the erection of "the corporate state", as we shall see later. But that at this time there was no clear idea of what these central organs were to be like, is revealed by the questions which Parliament raised:

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"How will these central bodies of coordination arise? How are they organized? How do they work?" To these questions only the vaguest answers were given, and Minister Rocco even suggested:

> The members of syndicates who will have the direction of the economic life of the country and will regulate the relations between classes, must constitute an élite body of men of capacity and of conviction. When the day comes when all employers and all Italian workmen have this capacity, this consciousness of the goal to be reached, then and then alone, syndicates will automatically become corporations.

Article 4

Associations are recognized by Royal decree, and their constitutions, which must be full and explicit, must be published in the Official Gazette.

Article 5

"Associations legally recognized have legal personality and legally represent all the employers, employees, artists, or professional men, whether registered as members or not, of the particular category for which they are constituted, who work within the territorial limits of the association."

These associations accordingly have the right to impose fees on all who belong to the category which they represent. The manner of levying and the amount of these fees are hereby specified. At least ten per cent of the fees collected must be put into a fund to guarantee the observance of agreements entered into.

The original draft had attempted to establish a fixed and uniform sum for the fees, but the Committee of the Chamber of Deputies changed it to one day's wages and, in the case of employers' associations, one day's wages for each employee employed by each employer. But this was difficult to apply in many cases, and the regulations adopted by the Grand Council of January 3, 1927, in general used the average wage of the

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category as a basis for fixed fees, and established rates well under the maximum allowed by the law. It was also expressly stated that though these fees resembled general taxes, they could be used only for the work of the syndicates and corporations.

Article 6

"The associations may be municipal, district, provincial, regional, interregional or national.

"Federations or unions of several associations and confederations of several federations may also be legally recognized. . . .

"Only one association may be legally recognized for any one category of employers, employees, artists or professional men. . . .

"Whenever a national confederation shall have been recognized for all the categories of employers or employees in agriculture, industry, or commerce, or for all the categories of artists or professional men, the recognition of federations or associations which do not form part of these confederations shall be prohibited.

"In no case may any association be recognized which, without authorization by the government, is affiliated with or dependent on an international association."

The recognition of a single syndicate for any one category represents a compromise on a much-debated issue. One extreme was represented by the Reform Commission under liberalistic influence, which wanted to recognize as many actual syndicates as were able to meet the "moral and economic" qualifications. The other extreme was represented by Sorellian syndicalists, who had reacted strongly in the direction of nationalism (Panunzio, for example), and who wanted compulsory membership of every employer or worker in a single syndicate, which would thus enjoy a monopoly for its particular category, all others being prohibited. In the present law the one legally recognized syndicate has theoretically no monopoly, since independent syndicates are permitted and no one is forced to join; but practically, since everyone is taxed for the support

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of the legally recognized syndicate, which is given complete authority to make contracts for both members and non-members, there is every inducement to join and only extreme political hostility could prevent a complete monopoly.

Syndicate monopolies are bitterly hated by the Italian middle class, especially by the landed proprietors, because the socialist syndicates in Romagna and elsewhere had for years enjoyed labor monopolies and had proved very oppressive. They were one of the chief causes of agrarian Fascism, that is, of the "protective violence" of the landed class against the "red" labor bosses. Nevertheless Fascist syndicates have forced proprietors to accept similar labor monopolies in many districts, and this article of the law to all practical intents legalizes the system.

In defending it before the Senate, Rocco said:

> The unlimited liberty of establishing in a single profession an indefinite number of syndical organizations having divergent or antagonistic tendencies is incompatible with the concept of the unity of interest in the profession. With unlimited syndical liberty a syndicate is a weapon of war, not an instrument of social peace. One syndicate competes with another at the expense of the workers collectively. And since there is no public authority to determine which syndicate really represents the workers, the victory goes to the strongest. Especially in our country, as was observed during the discussion in the Chamber of Deputies, the liberty of syndicates led to a multiplication of workers' organizations. Political parties divided the workers into so many groups that they were placed in a very disadvantageous position when they had to face their employers who never had more than one organization. In fact the interests of a single category of workers or of a single profession can not be adequately defended except by a single organization, and the unitary principle of syndicate organization is a logical presupposition of the practical utility of collective labor contracts as well as of the beneficent operation of the labor tribunals.

And Senator Schanzer in his report to the Senate made the following declaration of principle:

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> It is important above all else that we get rid of the idea that these organizations of the social order should be instruments of political strife and a means whereby politicians and political groups are enabled to put themselves in power. The syndicate recognized by public law is by itself a non-political organ. The men who direct it may have their political opinions, but the syndicate as such has no political function. In short, we must finally establish the separation of syndicalism and politics.

As for the next to the last paragraph of this article, the mere mention of only three or four great national confederations, which were reminiscent of the "three orders" of the Reform Commission as well as of Rossoni's corporations, immediately brought down a storm of protest from the existing national confederations. The Federation of Transportation, the Association of Italian Banks, the Confederation of Landed Proprietors, and other powerful organizations feared they were to be wiped out entirely or at least subordinated to the great Confederation of Industry, and accordingly sent in memorials, and proposed amendments guaranteeing their independence. Minister Rocco admitted that the aim was to unify the national organization as much as possible, but agreed that exceptions might be made in certain cases. In any case, he said, the matter is to be left to the discretion of the government. As we shall see when we examine the "Rules and Regulations", the government decided to yield to the existing confederations.

The force of the last paragraph of this article is obvious enough. However, it might be added that Rossoni had tried hard for years to get recognition for his organization at the International Labor Bureau at Geneva, but had failed, for the reason mentioned above. The orthodox Fascist theory, of course, is that Italian laborers need pay no attention to any international organization whatsoever, on the ground that the so-called International is merely the tool of the "Russian-Jewish autocracy", and the League of Nations the tool of the "Wall Street-Jewish Plutocracy", but in fact the labor leaders themselves are very anxious to get international recognition and even Farinacci, the leader of the jingoes, is addicted to

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boasting that Italy carried out twice as many of the Washington Conference Labor Agreements as any other nation.

Article 7

The president or secretary of any association may be nominated or elected, according to the constitution of the association. But these officers must have the approval of the Ministry of the Interior, which approval may be revoked at any time.

The original draft added the approval of the prefect, but the committee cut this out on the ground that the syndicates must be safeguarded from local politics. By the Grand Council of June, 1926, government intervention was further limited.

Article 8

The above-named officers of an association are to be aided by a council of directors, elected by the members of the association in a manner to be prescribed by the association's constitution. These councils are under the supervision of the prefect and the Provincial Assembly and in the case of associations larger than provincial, of the ministry concerned. The ministry concerned, with the approval of the Minister of the Interior, may dissolve these councils and put complete power in the hands of the president and secretary of the association, or in extreme cases, of a commissioner extraordinary; but this must not be for longer than one year.

Article 9

In any case of violation by an association of the conditions here laid down, the government may revoke its recognition.

Minister Rocco explained:

This rigorous control does not infringe on the autonomy of the syndicate nor on the free development of its internal and external activities. In fact, the rules which govern the internal

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life and external activities of a syndicate are given it by its own constitution, which every association must have and which, though it must be approved by Royal Decree . . . , is framed by the association itself; and by it the life of the syndicate is, within the limits of the law, freely regulated.

Or, as Senator Schanzer more succinctly said, "They are free to submit themselves to the approval of the competent authority!"

Article 10

Collective labor contracts made by a legally recognized syndicate are obligatory on all employers and employees in the categories represented by that syndicate.

Collective labor contracts are void unless written.

The central coordinating bodies, mentioned in Article 3, may establish general norms and conditions for labor, valid for all employers and employees engaged in the enterprises to which these norms refer.

A copy of all labor contracts must be filed in the prefectures and published in the announcements of the province, and in case of larger associations must be filed in the office of the Minister of National Economy and published in the Official Gazette.

Associations are punishable by law for breaches of these contracts.

The Reform Commission had said very little about labor contracts, merely suggesting that contracts entered into by legally recognized syndicates should be enforced by law.

But in the meantime Rossoni's Confederation had been actively engaged in building up a network of collective labor contracts. In fact it was precisely his success in making these contracts which gave his organization its practical power and its hold on the laboring classes. Though private contracts are still being made, the collective contracts are rapidly supplanting them. The system had already been officially recognized by the Pact of the Vidoni Palace at Rome, October 2, 1925, which we discussed above. Now it is given increased scope and authority, and the funds established by Article 5 guarantee the legal enforcement of the contracts.

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The contracts are now really more than contracts, for though they have a private origin they become public norms and are enforced like laws of labor tribunals. To quote Senator Schanzer:

> The fact that the collective contracts are obligatory *erga omnes*, that is, even over those who took no part in the negotiations, as are also obligatory the general regulations for labor and labor conditions laid down by the central organs of coordination between syndicates, confers on such collective contracts and on such general norms a character which transcends the law of contract and places them on the plane of a special public law. They have an intermediate position between simple contracts and administrative regulations, which fact explains the special forms of publicity required of them.

To the objection raised in the Chamber of Deputies that these contracts would attempt to establish an artificial standardization of working conditions, Belloni replied: "It is always possible in a collective agreement to take account of particular rules and conditions for particular sub-classes of production or for individual firms, as has already been done during the last few years."

The third paragraph vaguely foreshadows a significant development. It suggests that the corporations or "central organs of coordination" establish general principles for labor and labor contracts. This is one of Rossoni's schemes; a scheme which he has since developed and which was officially sanctioned in January, 1927, by the Grand Council and out of which grew the national "Charter of Labor" (*carta di lavoro*), of which more below.

Article 11

The regulations of this law do not apply to associations of employees of the state, provinces or municipalities, for which associations other regulations and laws are provided.

All associations are strictly prohibited in the army, navy and police corps, and among magistrates, adminis-

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trative or judicial officers, professors in intermediate and higher institutions of learning, employees of the Ministries of the Interior, of Foreign Affairs and of Colonies.

The original draft recognized certain associations of state employees, but curtailed their rights to such an extent that the committee thought it simpler not to recognize them at all.

The practical reasons for this article will be obvious enough to the reader. The theory, however, is a little subtle. Minister Rocco explained it to the Chamber of Deputies:

> The relations between public political agencies and their employees are by their very nature such that they do not admit of legally recognized syndicate organization, for it is inconceivable that the law should recognize organs of defense for any categories or classes by whom they would be directed against bodies which represent the general interest. These bodies already have obligations toward their dependents which exclude them from the realm of private contracts. To treat their dependents justly is already an obligation of the state and other public bodies, which they must keep because of their inherently ethical nature.

Associations of professors were put on the prohibited list after the following speech by Mussolini in the Chamber of Deputies:

> Syndicate associations [of state employees] are not recognized by law but may exist in fact; on the other hand, such associations are expressly forbidden for officials, sub-officials, etc. I believe this list is not complete; I believe we should distinguish among dependents of the state between those who perform their work in an office and those who perform a service, those who fulfil merely economic functions and those who fulfil functions not of an economic nature. . . .
>
> There are other dependents of the state whose associations should be prohibited. The lists are being completed, and I might as well say it now, they will include professors in intermediate and higher institutions of learning. . . . Let us say it clear and loud! The professor fulfils a function in national life much more delicate than that performed by the official of a public service or by the magistrate. The professor, who

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molds minds and consciences, and can make of men either heroes or cowards, has an extremely important function in the life of the nation. Hence he must be an atom, not a group or association, in the state.

The following associations of state employees have already been "authorized" (but not legalized): railroad workers, postal and telegraph employees, letter carriers and rural postal agents, state telephone employees, primary school teachers, tax collectors.

Article 12

Associations not forbidden but not legalized may continue to operate as free associations under the existing laws of the land.

Part II

"Of Labor Tribunals"

Article 13

"All controversies relative to the governing of collective labor relations, whether they concern the application of collective contracts and other existing regulations, or whether they concern demands for new labor conditions, are subject to the jurisdiction of the Courts of Appeal acting as labor tribunals.

"Before resorting to a formal decision, the President of the Court is required to attempt a conciliation."

Controversies may be arbitrated according to usual civil procedure.

The powers of the Collegi dei probiviri *and of the provincial arbitration councils in judging private labor disputes are not curtailed, but their decisions may be appealed to the labor tribunals.*

The proposal of such a system of labor tribunals did not come from the Reform Commission. It had contented itself with giving the proposed Provincial Chambers certain arbitral powers, analogous to and in fact continuing the functions of the *Collegi dei probiviri;* but it had not intended to throw the

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whole matter of labor regulation into the courts. This idea came from certain syndicalist quarters, notably from Sergio Panunzio, who developed a whole theory of the state around it, a theory very similar to that of Duguit. According to him the state's essential function is not legislation, for legislation and regulation may be left to the syndical organization of society. The state is essentially the sovereign judge, and can be the judge because it alone has the power to enforce its judgments. He urged a system of "economic magistrates" similar to the one embodied here. It received the approval of Rossoni's organization and of Mussolini and in this way came to be embodied into the present law.

This article caused a dispute which brings into relief some of the most serious conflicts of interests and views which the new legislation had to face. It was hailed by its sponsors as the most revolutionary of all, accomplishing in the field of labor legislation, by putting an end to "the auto-defense of classes", what was accomplished in the field of private law by substituting court procedure for duels or feuds. But the *industrialists* objected. I give the story at length.

The article as first drafted and submitted to the Chamber of Deputies contained the following additional paragraphs:

> The jurisdiction of the court of appeals acting as a labor tribunal is obligatory for all controversies relative to the application of contracts or other existing regulations.
>
> It is also obligatory for all controversies relative to the determination of new labor conditions, when these involve controversies between agricultural employers and employees or between agencies of public services or necessities and their employees.
>
> When they involve controversies relative to the determination of new labor conditions arising between other categories of employers and employees, the jurisdiction of the Court of Appeals is optional, and in order to establish it the consent of both parties is necessary, but once established it becomes obligatory, as in the previous cases.

In defending this, Rocco said:

> It would certainly have been desirable to have made the juris-

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diction of the Court of Appeals acting as a labor tribunal absolute, that is to say, that the parties should have been forced to submit to it, so that the judicial decision would simply have constituted a legal judgment as is the case in all civil judgments. It was impossible, however, to attain this goal at once. Even stronger than the opposition of genuine interests is that of prejudices and old mental habits, which give rise to fears that the decision of the judge would be disregarded by those employers who may be angered to the point of rebellion, especially those whose work is least appreciated by the populace at large, as for instance the employers of industrial labor. It is feared that at present, during a period in the life of industry which is still critical, it would be unwise off-hand to entrust the terms of labor contracts to a judge. Perhaps this diffidence has been increased by the influence of theoretical preconceptions based on the doctrines of economic liberalism.

We realize perfectly that the structure of this law departs from the principles of liberalistic economics. But the failure of the Liberal economy in this field has been demonstrated so clearly by the facts, that I need not dwell on it. The failure has been total and irremediable, for even while the Liberal régime still flourished, labor conditions were no longer determined by the law of supply and demand, but by the political strength of the organizations. In practice, the law of supply and demand had ceased to operate; in its place there ruled only the will of the stronger. It is undeniable that the necessary equilibrium of economic life can be established much better by the intervention of an impartial judge. All the more since, given a brake on the exercise of private force, the free play of supply and demand can automatically be resumed and in normal cases will reach solutions without hindrance, which cases will furnish the labor tribunals with a sound basis for their decisions. Nor is this the first time in our legislation that the magistrate is asked to determine just prices, or in general to establish the manner in which private employment is to be regulated. . . . The truth is that the magistrate must continually regulate legal relations by his prudent judgment, for the laws can not foresee the particular cases and usually merely give the general lines and principles for the solution of controversies; and in most judgments it is the magistrate who creates

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special norms valid for concrete cases. Experience teaches that the magistrate performs this task excellently, however diversified and difficult it may be, both from a technical point of view and from the point of view of the material submitted to him. . . . In spite of this fact, however, we have been willing to indulge these prejudices, being assured that the experiment of labor jurisdiction which is about to be made will win out by the eloquent testimony of facts.

Belloni, in his report for the House Committee, emphasized the difference between judicial decision involving merely the application of old contracts, and judicial participation in the framing of new ones. The former could be carried on on a legal basis, but the latter entered the field of political and economic administration, in which cases the judge had no law to guide him, but must weigh interests and policies. He then continued:

The Minister's speech, in which he expounded the design of the law, amply explained the motives which induced the government to take the course it did, in spite of many reasons which militated in favor of an obligatory jurisdiction of the tribunals in all cases. Now we think that the government did very well to adopt the path it did; and this, to be sure, not for the reasons on which the Liberal school bases its objections to the right of state intervention in the economic conflicts between capital and labor, but because the conditions under which industry and commerce are carried on make it very difficult for a judge to fix the norms which ought to govern labor relations with the assurance—so essential to a judge—that by his decision he is not doing injustice to one or both parties. These difficulties are of an entirely different order in agriculture and in industry; in the latter the ordering and organization of production and labor are subject to much more complex and delicate rules than in agriculture, and in addition the consequences of an interruption of labor in industry can be offset in whole or in part by a more intensive activity afterward, while the consequences of an interruption of labor in agriculture at certain times of the year may be irreparable and endanger the supply of produce necessary to support the population. Imagine, for example, a strike at harvest time; imagine a strike, one which actually oc-

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curred during the times immediately preceding the rise of Fascism, of the laborers in charge of cattle and other domestic animals, and you will understand immediately why the state can not afford to remain inactive and indifferent in the face of such collective disputes. Moreover, whereas industrial activity is not limited, at least not up to a certain point, and if one factory closes, the loss can be, and certainly will be, promptly supplied by the greater productivity of other existing firms, or by the founding of new ones, agricultural activity is limited in space and hence the collective whole can not tolerate that a greater or smaller area of soil, the precious gift of nature, be withdrawn from cultivation.

Hence this great branch of national production, agriculture, is hastening in many ways toward that grand realization of the Fascist idea of the state, toward that new political atmosphere which we long for, that sense of discipline and of order which at last has penetrated the minds of all citizens, especially of the producing classes, thus permitting the state to evolve the most favorable conditions and to attain those ends of complete pacification and of social well-being which it pursues.

At this point Mussolini himself took the floor and said:

. . . This truly basic law considers two economies, industrial economy and agricultural. . . . I believe a law so constructed remains a mutilated law. I believe that either we are taking a step forward in industrial economy or a step backward in rural. In short, either option or compulsion for both. For I do not believe that there is a clear separation between the two economies, if it is true as it is that agriculture is being industrialized and if it is true that from the products of the land come the raw materials of several of the greatest industries of our country, the textile and chemical industries. . . .

I believe we must rather arrive at a unitary conception of material economy. To be sure the grain which is left, or was left standing in the fields, is a net loss, but at times a strike which interrupts production at a critical moment when international competition is unbridled may have even more serious consequences. We need the courage to go ahead in this field as well, a field which is supposed to be unexplored and full of

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the unforeseen. There are no lions, and in any case the lions are would-be wild beasts! . . .

Those who hesitate should also consider that in discussing this provision they must take the régime and the government into account. The corporations are Fascist in as much as they want to bear the name of Fascist corporations and to carry on their work under the shadow of the lictor's rods. They must control their actions and not do anything which may diminish the productive efficiency of the nation or create difficulties for the government.

Hence, besides the work of control which the Fascist corporations are themselves conducting, there is the sovereign control of the government. What has taken place during these three years of syndicalist practice? I am not the secretary of the corporations; but there has not been a single great question in industry or commerce involving the syndicates—when the law for private employment was being discussed; when the contract of the seamen was being discussed—I say, there has not been a single question of great importance to the syndicates which I have not examined and sometimes solved.

This being the case, I believe the Confederation of Industry can take a step forward and will do so, for I also believe firmly that the advantages will far outweigh the inconveniences.

Honorable colleagues, before closing I wish to give you the reason why I have arrived at this conclusion. I have arrived at this conclusion from a point of departure which is fundamental to my understanding of the Italian situation whenever I examine it. I consider the Italian nation to be in a permanent state of war. I have already said and I repeat that the next five or ten years are decisive for the destiny of our people. They are decisive because the international struggle has widened and will widen still more, and we who have come on the stage of the world a little behind time can not afford to waste our energies.

After this speech the Honorable Benni, President of the Confederation of Industry, arose and after giving his reasons for opposing compulsory labor tribunals in industry, said: "As a well disciplined Italian citizen I accept the way which the head of the government points out to me and shall follow it with all the enthusiasm in my power, and with that discipline

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which the Italian industrial class has always professed towards the government and towards Fascism." Whereupon Belloni in behalf of the Parliamentary Committee also expressed his approval of the amendment proposed by Mussolini.

Article 14

"In order that the Court of Appeals may function as a labor tribunal, there shall be constituted in each of the sixteen courts of appeal a special session composed of three magistrates, . . . to whom shall be added from time to time two citizens expert in the problems of production and labor. . . . "

Article 15

"At each Court of Appeals a register shall be made of citizens expert in the problems of production and labor, divided into groups and subgroups according to the various types of enterprise which exist in the court's district."

These citizens are to be called as needed, no one being called whose interests are directly or indirectly concerned in the controversy.

Article 16

"The Court of Appeals acting as a labor tribunal passes judgment in cases of the application of existing contracts according to the legal procedures of the interpretation and execution of contracts, and, in cases of the formulation of new conditions of labor, according to equity, adjusting the interests of the employers to those of the employees and in every case safeguarding the superior interests of production."

Article 17

Only legally recognized associations have the right to represent the interests of their class before the court.

Federations or confederations must attempt a conciliation before bringing cases involving their dependent associations before the court.

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Part III

"Of Lock-Outs and Strikes"

Article 18

"Lock-outs and strikes are prohibited.

"Employers who without a justifiable motive and merely to obtain from their employees modifications of existing labor contracts suspend work in their establishments, firms or offices are punished by a fine of 10,000 to 100,000 lire.

"Employees and workers who to the number of three or more, by previous agreement, leave their work or work in a manner to disturb its continuity or regularity, in order to obtain different labor contracts from their employers, are punished by a fine of 100 to 1000 lire. . . .

"When the authors of the crimes mentioned in the foregoing paragraphs are numerous, the leaders, promoters, and organizers are punished by imprisonment for not less than one year nor more than two in addition to the fine imposed as above."

This article also goes much farther than the proposals of the Reform Commission; as Rocco explained, it extends the fundamental concept of the prohibition of "auto-defense" to economic groups and issues, a step made possible by the institution of an omnicompetent labor tribunal. The discussion in both Houses made it evident that the government intended to give this the broadest interpretation, practically forbidding any strikes or lockouts whatsoever, certainly those of a political nature.

On the other hand, the first important interpretive decision handed down by the Court of Appeals of Rome made it clear that the courts would not use the law as a pretext to infringe on the legitimate freedom of individual workers, or small groups. The judgment was in favor of the defendants, a few workmen of Tivoli who had left their work.

Some doubts were expressed as to the ability of the government to enforce the law against huge bodies of strikers. The

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difficulty was admitted for extreme cases, but it was pointed out that the growing syndicate organization and growing public opinion in favor of the law made enforcement easier. In the case of employers who might close their factories and profit more than their fines cost them, it was maintained that such tactics could be severely punished on the basis of other laws. Also it was thought quite possible to force a factory owner to keep his factory open unless the court had made bad blunders in its calculations and had sanctioned conditions which made profits impossible, in which case the judgment of the court could be reviewed.

Article 19

Strikes among employees of the state or in public services are punished more severely.

Article 20

State employees or those in public services are punished severely if they fail to do all in their power to secure the continual operation of their services during any strike or lockout.

Article 21

Strikes or lockouts having political motivations or purposes are severely punished.

Article 22

Heavy penalties are imposed on those who fail to abide by a sentence of a labor tribunal.

Article 23

All previous legislation contrary to this law is rescinded, but the government is authorized to make the necessary regulations to coordinate this law with certain previous legislation in the same direction.

The last clause was inserted by the Parliamentary Committee to protect existing legislation for railroad and other state em-

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ployees, and the *Collegi dei probiviri*, institutions which were already working satisfactorily.

These twenty-three articles, which constitute the framework for the new Italian Syndicalist State, really settled less than they started. The need for "interpretation" and detailed regulations had already been expressed. And both sides were decidedly nervous. Many employers refused to have anything to do with the "collective contracts" and had to be threatened into submission by the ever handy Fascist officials. The independent and powerful employers' confederations were nervous because of the rumors of consolidation. Neither side was any too confident of the labor tribunals, the employers because they had been forced to yield to political pressure, and to political jurisdiction; the labor leaders because they had preferred to trust their "mixed" syndicates and corporations rather than the courts as the organs of "economic solidarity". Mixed syndicates, however, had been doomed, and their surreptitious substitutes, the "central coordinating bodies", were mysterious entities — a vague hope for the integralist labor leaders, and a disquieting remnant of sentimentality in the eyes of the supposedly more hard-headed business men. But there were even more general issues in the air. The law had embodied but the first part of the Report of the Reform Commission, a part which in the eyes of the reformers was but a preliminary step toward the "corporate organization of the state", and ineffective unless linked to it. As it now stood, it was apparently independent and had passed Parliament, at least in the eyes of the majority, as little more than a thoroughgoing piece of labor legislation, any question of constitutional reform having been carefully excluded. On the other hand, responsible Fascist politicians and publicists began to proclaim the law as revolutionary, the realization of the new Fascist state, and the corporate organization of society. Was this to be taken as prophecy or merely as normal newspaper lunacy?

Under these circumstances Rocco and his colleagues set out to draft the "rules and regulations", and finally having secured the approval of the Cabinet, presented the draft to the Grand Council of the party in June. Rocco, it turned out, had been

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reconstructing his social philosophy a bit, and had arrived at the following already famous formula:

> The new organization of labor . . . is developing in a twofold direction: one vertical and the other horizontal. The vertical organization is being realized outside the state but under the control of the state, and comprises syndicates of a single category or trade grouped into superior organizations, federations or confederations. The horizontal organization is being realized within the state, and comprises all the factors of production for each branch of industry. Thus the corporation is being organized within the state, including employers, workers and artisans.

Accordingly his draft proposed:

(1) Three great national "unions", one for employers, one for workers and one for artisans and the professional classes.

(2) Fifteen national confederations: six of employers (in industry, commerce, agriculture, maritime and air transportation, land transportation and inland navigation, banks); six of workers (classified identically); and three of the "middle classes" (one for artisans, one for professional men and one for artists).

(3) A Ministry of Corporations to unite these confederations horizontally into the "central coordinating bodies".

After several nights of lively discussion (the Grand Council does only night work) the following changes were made in this scheme:

(1) The three unions, obviously reminiscent of the three orders proposed by the Reform Commission, were replaced by two "General Confederations which *may* be recognized."

But the employers, having been delighted with the recognition of the existing plurality of Employers' Confederations, saw no need for a further "union", since each was jealous of its independence and was run by a different group of men. Nevertheless Rossoni and the labor leaders were equally anxious that their single, powerful organization should in no way lose its unity. Hence, of the two General Confederations which the decree *allows*, the "National Confederation of Fascist Syndi-

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cates" was immediately formed; that is to say, Rossoni's organization took the word "corporation" out of its name; while the employers took no notice, nor have they to this day, of their permission to form a single confederation. However, the Confederation of Industry is the natural leader of the group in most labor disputes and in dealings with the government.

The third proposed union or order was now parceled out among these two, the federation of artisans being subordinated to the Confederation of Industry, and the professional men and artists being combined and placed under the Confederation of Fascist Syndicates. This was the work of Rossoni, who had already gotten control of several organizations of intellectuals and who proceeded as follows. It "happened" that just as the Grand Council was deliberating these matters, a national convention of intellectuals had been called at Rome. At this convention Rossoni had made himself prominent, had emphasized the solidarity between "manual and intellectual workers", and had made it evident to the public and to the Grand Council that the convention was favorable to his organization. Having induced the Grand Council to authorize this step, he created the Federation of Intellectuals. In this way the professional classes passed bodily into the hands of the Rossoni group, and the "third order" or "middle class", which had played an important rôle in the plans and theories of the Reform Commission, passed out of existence.

(2) The fifteen confederations were thus reduced to thirteen, organized as follows:

A. Employers' Organizations.
   1. National Fascist Confederation of Industry.
   2. National Fascist Confederation of Agriculturalists.
   3. National Fascist Confederation of Merchants.
   4. National Fascist Confederation of Maritime and Aerial Transportation.
   5. National Fascist Confederation of Land Transportation and Inland Navigation.
   6. National Fascist Confederation of Bankers.

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B. Labor: The National Confederation of Fascist Syndicates, composed of:

7. National Federation of Fascist Syndicates in Industry.
8. National Federation of Fascist Syndicates in Agriculture.
9. National Federation of Fascist Syndicates in Commerce.
10. National Federation of Fascist Syndicates in Maritime and Aerial Transportation.
11. National Federation of Fascist Syndicates in Land Transportation and Inland Navigation.
12. National Federation of Fascist Syndicates in Banks.
13. National Federation of Fascist Syndicates of Intellectuals.

One of the most serious disputes concerned lesser federations but really underlay the issues we have just discussed. Rocco's draft (Article 5) had provided that artisans, small shopkeepers and tradesmen, proprietary or tenant farmers of small farms which they cultivate themselves, as well as share-holding tenant farmers (*mezzadri, metayêrs*) should be organized under employers' organizations if they employed manual labor, and should constitute independent associations if their establishments were exclusively domestic. To this Rocco objected strenuously, not only because it would have broken up many of his rural syndicates and their contracts and thrown small tenant farmers, whose interests are usually those of labor, into the hands of the big agriculturalists, but also because it "split the unity of categories", which was the basis of the whole syndical organization. Finally Mussolini personally worked out a compromise, whereby all artisans, small tradesmen, etc. were to form their own federations subordinated to the employers' Confederation of Industry, and all shareholders (*metayêrs*) were to be organized into federations subordinate to the labor confederation of agricultural syndicates.

(3) The organization of the corporations and the Ministry of Corporations remains as in the Rocco draft, except that, because of the changes just described, the corporate or horizontal organization is confronted by only two great vertical organiza-

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tions, corresponding roughly to capital and labor, instead of the three of the original design, in which the "middle class" or "intellectuals" were supposed to form a sort of social balance of power. As it is, the government in the form of the Ministry of Corporations is supposed to synthesize in peaceful cooperative production two traditional enemies to whom it has given new and powerful weapons and whom it has arrayed more definitely than ever on opposed fronts. The organization of this "horizontal" order is therefore extremely important. To it is devoted one of the eight main divisions of the "Rules and Regulations", which I outline as follows:

Part III

"Of the Central Organs of Coordination or Corporations."

Article 42

"The organs of coordination suggested by Article 3 of the law of April 3, 1926, have a national character. They unite the national syndical organizations of the various factors of production, employers, and workers (intellectual and manual) in any given branch of production, or for one or more given categories of industry or trade.

"The organizations thus coordinated constitute a corporation.

"A corporation is constituted by decree of the Minister of Corporations."

Article 43

"A corporation does not possess legal personality, but constitutes an administrative organ of the state.

"The decree which constitutes a corporation also determines its functions and powers. By the same decree its organization is established and the duties and powers of its central and local officials are regulated."

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Article 44

"These corporative organs, in order that they may serve their purpose, have among others the following functions:

(a) *to conciliate the controversies which may arise between the organizations coordinated and to draw up the norms suggested in Article 10 of the law of April 3, 1926;*

(b) *to promote, encourage and sustain all measures intended to coordinate production and improve its organization;*

(c) *to establish collocating offices wherever their need is evident; where such offices may be established, a royal decree may prohibit independent mediation and the operation of other collocating offices; . . .*

(d) *to regulate training and apprenticeship, drawing up the general norms necessary to this end, and to see that they are enforced. Such norms are to be applied to all collective labor contracts."*

Article 45

In the making of collective contracts the coordinated organizations are to remain autonomous, except in cases where efforts at conciliation by the corporation are prescribed by the law.

Article 46

"The presidents of the corporate bodies are nominated and recalled by decree of the Minister of Corporations. Every corporation has a council composed of the delegates of the organizations which are coordinated by it. In the council the representation of organizations of employers must equal that of the employees (intellectual and manual taken together).

"The manner of nomination of such delegates, the functions of the council and the powers of the president are established by the decree which constitutes the corporate body.

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"In any case this must be made to depend directly on the Minister of Corporations."

The decree embodying these rules and regulations (103 Articles) was signed July 1, 1926. The following day another decree created the Ministry of Corporations. Mussolini, in line with his general policy, made himself Minister of Corporations and made Suardo (his right-hand man) Undersecretary. This immediately gave "corporationism" immense popularity and prestige. However Mussolini had already told the Grand Council in very strong language that he would not stand for an elaborate bureaucracy of politicians in the ministry, that he proposed to establish corporations only where there was a definite call for them, and that he would put them under the direction of a few competent men, actively engaged in the business which was being corporated. As a result, *not a single corporation has been created to date* (February, 1927). There is a certain amount of truth in the explanation that there has been no need of coordination as yet, since the various classes are cooperating spontaneously as Fascist doctrine says they should. There is more truth in the claim that if the government tried now to form a corporation it would face serious difficulties, since both syndical groups are jealous of each other's power and afraid that a "coordinating body" might merely upset the present equilibrium. But there is still more truth in the view that this sort of corporation, except in extreme crises, is now superfluous; for the negotiating of labor contracts, conciliation by the labor tribunals, and in general all business which arises between the syndicates, can be carried on effectively and directly without the intervention of the corporation. The corporation thus represents little more than a continual threat which the government can use against refractory confederations. At best it is a name for the implicit cooperation of the various classes in production, which, the more habitual and spontaneous it becomes, automatically transforms Italy into a "corporate state". But it has more than a nominal value; its psychological value is very important. At last the ideal of Rocco, Rossoni and the "integralists" has an official sanction

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and a legal basis, however much its practical embodiment may have changed. In fact, the corporationists were so encouraged by these developments and their activities so stimulated that the situation has already been carried beyond the bounds foreseen by either the law of April 3 or the decree of July 1.

In November, when other troubles broke over Mussolini's head, he and Suardo were forced to shift their attentions to the Department of the Interior. He appointed Bottai, director of the *Critica Fascista*, and formerly one of the leaders of the Fascist Cooperatives, which were closely allied to the syndicalist movement, Undersecretary of Corporations. This brought the Ministry of Corporations more closely in touch with the active syndicalists. (For Mussolini and Suardo never were syndicalists and though favorable to these developments they really represent a middle ground in the party and in the government, keeping the syndicalistic, the liberalistic, and the nationalistic wings of Fascism in a state of equilibrium.) The Ministry of Corporations has important work to do, such as working out the details of the system of syndicate fees, the examination and registration of the constitutions of new syndicates and confederations, etc., but this work, of course, does not require corporations.

In the meantime Rossoni too has been working. The provision for general norms for labor contracts which he had inserted into the law, and which by the decree was entrusted to the corporations, is at present his own active concern. His success in using the collective contracts to gain concessions for labor, which though small, are systematic and of practical financial value to the workers, has given him the necessary experience for framing such norms. Accordingly, not waiting for corporations to do the work, he, with the cooperation of the Ministry of Corporations, has proceeded to draft the principles by which labor contracts are to be governed in the future and is embodying in these a sort of bill of rights for labor. The general scheme of this Charter of Labor (*carta di lavoro*), as it is called, was approved by the January session of the Grand Council. It is already evident that when completed it will be much more a *labor* document, much more a defense of labor

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interests than it would have been if it had been drawn up by a "corporation". Rossoni has also succeeded in getting a decree which permits the nine-hour day (decreed last summer as an emergency measure) only if it is granted by a collective contract made between legally recognized syndicates.

But the most significant consequence of these developments is that the corporationist leaders have shifted their tactics, have practically dropped these nominal corporations, and are now concentrating on demanding a corporate Parliament and economic representation. The trend in this direction became so strong that Mussolini himself announced 1927 as "the corporate year" and even dropped a casual reference to an economic Parliament in place of the "worn-out one". Mussolini's words have a thousand echoes; and the slightest mention by him of such a possibility is enough to set the whole scheme on its feet. There was a sudden rush of political job-seekers into the syndicates. There now seems to be little doubt on either side, capital or labor, that a corporate Parliament will soon be set under way. This revives the proposals made by the Reform Commission, though they will necessarily be thoroughly overhauled. The new Parliament will probably take the place of the old, instead of being merely added to it. There will be only two, instead of three great "vertical" orders represented. In some way or other it will be closely linked to the corporations and the Ministry of Corporations. The elections will probably be very indirect, and whether it will mean a genuine economic democracy within each of the two orders is very doubtful. On the other hand, the constitutions of the syndicates and corporations, those of the employers as well as those of labor, are quite democratic, and if these should serve as a model for the new system of representation, as well they may, Fascism will indeed have given birth to an heir little resembling itself.

But all these details are still speculative. In whatever way they may turn out, enough of the foundation of the new order has already been laid to give this Fascist syndicalist legislation the character of a revolutionary experiment in constitution-making. It is not my purpose here to make comments or criticisms. Let me therefore merely say, by way of summary,

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that in the name of a theory of the national solidarity of producers of all classes, the Fascisti have succeeded in spite of themselves in organizing capital and labor into two rival powers, to an extent to which they have never been organized before. Both sides are aiming at control of the government; neither can claim the victory as yet. In any event, the nationalism of the Fascisti, far from undermining class government, has given it a new impetus, and new opportunities for promoting, as class interests may dictate, either more efficient production or more effective class war.[1]

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[1] A collection of the more important documents and speeches quoted above may be found in:

(1) *Relazioni e proposte della commissione presidenziale per lo studio delle riforme costituzionali.* Rome, 1925. Libreria dello stato, No. 324.

(2) *Disciplina giuridica dei rapporti collettivi del lavoro.* Milan, 2nd edition, 1926. Published by "Giurisprudenza del lavoro", Consorzio Lombardo fra Industriali Meccanici e Mettallurgici.

(3) *La reforme syndicale en Italie.* Rome, 1926. Imprimerie Charles Colombo.

Extensive bibliography and notes on recent events may be found in the new monthly journal, *Lo Stato Corporativo,* published in Rome. First number, November 1926. The bi-weekly *"Critica Fascista"* is also useful.

NOTE. — Just after the foregoing pages went to press we received from the author, who is now in Italy, an interesting postscript commenting on the decree of March 17, 1927, and on the Labor charter as published on April 21, 1927. While it is impossible to include these comments in the present issue of the POLITICAL SCIENCE QUARTERLY, it may perhaps prove possible for Professor Schneider in a future issue to interpret the events foreshadowed in his present analysis of the syndicalist trend in Italy.—MANAGING EDITOR.

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THE RUSSIAN MOBILIZATION OF 1914

> Russia is taking very reasonable and sensible precautions, which should in no wise be interpreted as provocative. Germany, of course, who has been steadily preparing, now wishes to throw the blame on Russia—a very thin pretext. However, comments are superfluous. [Minute by Sir Arthur Nicolson, July 31, 1914, *British Documents on the Origins of the War* (London, 1926), vol. XI, p. 214.]

THE Russian mobilization of 1914 continues to occupy a central place in the controversy which is raging around the problem of responsibility for the outbreak of the Great War. Professor Harry Elmer Barnes declares bluntly that Russia took "the specific steps which made the War inevitable, and the *only* steps which made it unavoidable."[1] The purpose of this article is to show the Russian mobilization in its proper setting, its proper background. This is made possible by using Russian sources some of which are not accessible to the majority of American readers.

The final decision resulting in the mobilization of the Russian army in July, 1914, and the transition from partial to general mobilization were largely influenced by technical military considerations. Before proceeding, therefore, any further in the discussion of our problem it may be desirable to obtain at least a slight knowledge of its technical aspects which weighed so heavily in the balance for peace or war in the fateful days of July, 1914.

Certain critics of Russia go so far as to maintain that the Russian mobilization began with the declaration of the "pre-mobilization" period on July 26.[2] This assertion, however, does not withstand the test of investigation. The "pre-mobilization" period was introduced in Russia early in 1913. This plan was recommended by a committee presided over by Gen-

[1] H. E. Barnes, *The Genesis of the World War* (New York, 1926), p. 328.

[2] Count Max Montgelas, *The Case for the Central Powers* (New York, 1925), footnote to p. 161: "In reality Russian mobilization had begun on the 26th with the *period of preparation for war.*"

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éral Lukomsky,[1] accepted by the Council of Ministers, and approved by the Emperor on March 2, 1913. It was modeled on similar provisions of the German Code and empowered the Government to take preliminary military measures in cases of emergency. The ordinance of March 2 provided for two series of measures. Those of the *first series* included the introduction of censorship, the nomination of army officers to take charge of railway stations, the conditioning of artillery parks, the calling of reservists in the area adjoining the frontier within the limit of ordinary army credits. The measures of the *second series* dealt with railroad defense and provided for the calling of reservists in the area adjoining the frontier, if this, for lack of financial provisions, had not already taken place under the *first series*.[2] Only the last-named measure could be quoted in support of the charge that the "pre-mobilization" period was equivalent to mobilization. On the other hand there is no evidence that the Government in 1914 took advantage of the power of calling reservists, even in that area. General Dobrorolsky and General Golovine both refute this accusation. "In all countries," writes General Golovine, "the term mobilization has a very definite meaning and denotes the transition of the army from peace-time to war-time conditions through the calling of reservists and the requisitioning of horses and carts. . . . On July 26 not a single man in Russia was called to the colors; not a single horse or vehicle was requisitioned."[3] The proclamation of the "pre-mobilization" period on July 26 was accompanied by the issuance of orders for the return of troops to their barracks from the summer quarters; for the immediate promotion of graduating cadets to the rank of officers (under normal conditions the promotion would have taken place in a fortnight, in August); for the establishment, in certain districts

[1] Général Serge Dobrorolsky. "La mobilisation de l'armée russe en 1914", in *Revue d'Histoire de la Guerre Mondiale,* April–July, 1923, footnote to p. 67.

[2] Major G. Frantz, "Die Kriegsvorbereitungsperiode in Russland", in *Die Kriegsschuldfrage,* April 1924, pp. 89 *et seq.*

[3] General Nicholas N. Golovine, *Iz Istorii Campanii 1914 goda na Russkom Fronte* [From the History of the Campaign of 1914 on the Russian Front], (Prague, 1925), p. 3; Dobrorolsky, *op. cit.*, p. 162.

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adjoining the frontier, of the so-called *voennoe polozhenie* (state of emergency), that is the transfer of all civil powers to military authorities.[1] None of the measures enumerated above meant mobilization. It is difficult to see how Count Montgelas's assertion can be maintained in the light of this evidence.[2]

In considering the technical reasons which necessitated the declaration of mobilization, one should remember that, because of the apparently close and intimate relations between Germany and Austria, Russian military circles were convinced that a state of war on her western frontier would result in concerted action against Russia on the part of the Central Empires. Moreover, it was generally admitted by Russian military authorities that either Germany or Austria-Hungary would prove a serious opponent, and that an encounter with either would call upon the resources of the whole Russian Empire. The Russian mobilization plan, therefore, contained no provisions for a partial mobilization in case of an armed conflict on the western frontier. Any such mobilization would be a dangerous improvisation upon the original plan of defense and might have incalculable consequences.[3]

Only in a country which has the territorial system of complementing its peace-time forces may a partial mobilization be carried out without endangering the machinery of the subsequent general mobilization. Under that system the mobilization of one or more military districts does not interfere to any considerable extent with normal conditions in other districts. A number of circumstances, however, made the introduction of the territorial system in Russia all but impossible. Even in time of peace the great extent of the empire and its underdeveloped network of railroads necessitated a certain degree of

[1] Golovine, *op. cit.*, p. 2.

[2] Professor Barnes gives no authority for his statement that "a secret partial mobilization had been in operation since the 26th in both France and Russia" (Barnes, *op. cit.*, p. 332). Nor do the known facts substantiate his unsupported assertion.

[3] General George N. Danilov, *Rossya v Mirovoi Voine* [Russia in the World War], (Berlin, 1924), p. 13.

General Danilov was the Quartermaster General of the Russian General Staff in 1914, and had held this office since 1909. *Cf.* Dobrorolsky, *op. cit.*, p. 65.

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concentration of troops in the areas adjoining the western frontier; while the chief sources for complementing peace-time forces of both men and horses were to be found in the southern and eastern regions of the empire. For that reason the part played by the railroads in carrying out mobilization in Russia was as important as it was arduous and complex. The difficulties of the problem were further increased by the low efficiency of the local administrations and the nomadic character of a portion of the population making up the so-called *otkhozhii-promisli*—a class of day-laborers continually moving from place to place in search of work.[1]

The "Modified Mobilization Plan, No. 18,"[2] in force at the outbreak of the war was in process of revision by the General Staff and the new plan was to have been put into operation on January 1st, 1915.[3] This new plan contained provisions for partial mobilization. But they dealt exclusively with armed conflicts on the less important sections of the frontier, chiefly in Asia, where the mobilization of a small number of troops was considered sufficient and could be carried out without need of haste.[4]

There was another aspect of the problem which could not possibly be overlooked by the men who were responsible for the military safety of Russia. In case of war against Austria, the strategic plan of the Russian General Staff provided for the concentration of sixteen army corps on the Austrian frontier and for the advantageous use of the favorable strategical position offered to Russia by the encircling line of the Russo-Austrian frontier. The partial mobilization decided upon by the Council assembled at Krasnoe Selo on July 25 not only restricted mobilization to thirteen army corps (while sixteen army corps were required for carrying out the operations planned by the General Staff in case of war against Austria), but also con-

[1] Danilov, *op. cit.*, p. 14.

[2] The numbering of mobilization plans began after the Russo-Turkish war of 1877-78, *cf.* Dobrorolsky, *op. cit.*, p. 58.

[3] *Ibid.*, p. 59.

[4] Danilov, *op. cit.*, p. 15.

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fined the concentration of troops to the districts of Kiev, Odessa, Kazan and Moscow, thus precluding the use of the Warsaw district as a *place d'armes* against Austria. The concentration of troops in the western part of the district of Kiev and the southern portion of the district of Warsaw for an encompassing movement on Austria was an essential part of the plan of the Russian General Staff. The exclusion of the district of Warsaw from the field of mobilization not only would have confounded all the calculations of the General Staff, but also would have exposed Russian Poland to the serious danger of an Austrian attack, before the district of Warsaw could have time to mobilize, in the event that a general mobilization should become necessary.[1]

These were the chief concerns of the leaders of the Russian army. The precarious military position in which Russia would place herself by ordering merely a partial mobilization was an important factor in the situation, as the Emperor and Sazonov were finally forced to admit, though not without a struggle.

A few words may be said here with reference to the well-known Imperial Order of March 12, 1912. This order reads as follows:

> In accordance with His most gracious Majesty's decision a telegraphic command to order mobilization in the European military districts on account of political complications on the western frontier, is to be regarded simultaneously as an order to commence hostilities against Austria and Germany. As far as Rumania is concerned the hostilities are not to be commenced without direct order.[2]

This order, however, had been cancelled by the orders of November 26, 1912, and June 26, 1913, which provided that

> commencement of war was to be separate in form from mobilization, and the commencement of hostilities was to be ordered

[1] Danilov, *op. cit.*, p. 16.

[2] Instruction sent by the Russian General Staff to the Officer Commanding the Warsaw Military District, April 11, 1912, No. 545. *Cf.* Montgelas, *op. cit.*, p. 54.

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> by separate telegram signed by the Minister of War, giving the name of the enemy power and the time of the commencement of the war, or was to be made dependent upon the action of the opponent.[1]

There is not the slightest evidence that the Russian Government intended to depart from this decision and to revive the order of March 12, 1912.

Reference is sometimes made to the mobilization of Russia and Austria-Hungary in 1909 and 1912, as evidence of the fact that Russia's mobilization in 1914 did not necessarily mean war. Although we are fully in agreement with the conclusion, this particular argument does not seem to be valid. Information on the mobilization of 1909 is very scarce.[2] More is known about the mobilization of 1912. Mr. Gooch[3] speaks of "Russia and Austria both of whom carried out partial mobilization" (end of 1912 and beginning of 1913). It seems, however, that these mobilizations, if mobilizations they were, considerably differed from that of 1914. Count Montgelas writes that "the Russian army was simultaneously [in 1912] strengthened by test mobilizations on an extensive scale on the frontier, which were not officially notified [to Germany] beforehand, as formerly."[4] And concerning Austria:

> It is true that, in view of the steps taken to reinforce the Russian army not being cancelled, precautionary measures were also taken in Vienna. The strength of the three army corps in Galicia, and of the troops on the Bosnian frontier, was increased by calling up reservists and *Ersatz* reservists. Those were the orders which were erroneously described, even in official documents, as "mobilization".[5]

[1] Gunther Frantz, *Russland's Eintritt in den Weltkrieg*, p. 46; *cf.* Mr. Charles Altschul, "Comment on some controversies regarding responsibility for the World War," in *Current History*, June, 1926, p. 395.

[2] Dr. Heinrich Kanner, *Die Neuesten Geschichtslügen* (Wien and Leipzig, 1921), p. 30; C. Altschul, *loc. cit.*

[3] G. P. Gooch, *History of Modern Europe* (1923), p. 508.

[4] Montgelas, *op. cit.*, p. 56.

[5] *Ibid.*, p. 61; also pp. 64, 74 and 75.

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Very striking is the complete absence of reference to these mobilizations in the diplomatic papers of 1914 and in the comments on the subject, especially those of Russian generals such as Danilov, Dobrorolsky, Golovine and Gurko. One would hardly expect Russian diplomats and soldiers to overlook so valuable a precedent concerning previous mobilizations.

Additional information on what really took place in 1909 and 1912 may be found in the following private letter which the author of these lines was privileged to receive from the former Russian Minister of Foreign Affairs, M. Sazonov:[1]

> I may tell you from memory what I know about the mobilization of 1912, the year of the Balkan wars. There was no real mobilization, that is no reservists were called, but something equivalent to it took place. The international situation was extremely tense and we expected an attack by Austria on Serbia as result of the latter's endeavor to establish herself on the shores of the Adriatic. Austria carried out a partial mobilization against Serbia and was unofficially taking preliminary measures for the mobilization of her troops in Galicia. As a counter measure we decided that, in order to give the new contingent of men time to go through the first stages of their military training, the men who would have completed the term of service were to be retained until the spring. Later on an agreement was reached by the Russian and Austrian governments and both parties reduced their armies to normal size. Germany was not yet ready and therefore did not want war. This is why the catastrophe was temporarily averted. This episode is shortly mentioned in my book.[2] As to the mobilization of 1909, I was not in Russia at that time and am unable to give any definite information on the subject. I believe, however, that even if military measures were taken they were of a purely preliminary character. The political situation was highly strained and it is conceivable that our government deemed it necessary to take certain military precautions. I doubt that they could be described as a mobilization.

[1] M. Sazonov's letter is written in Russian and is dated "Easter Day (May 2nd), 1926, Nice."

[2] M. Sazonov refers to his memoirs which will be published soon.

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The evidence given above seems to leave little doubt that the military preparations of 1909 and 1912 were quite different from the mobilization of 1914.

These preliminary remarks are intended to show the line of argument of Russian military leaders, and the technical conditions which made it impossible for them to accept the responsibility for partial mobilization. It may be useful to remember these facts while investigating the course of events which led to the order for Russian mobilization and to the declaration of the war.

The inner story of the mobilization will be more easily understood if we obtain some knowledge of the general state of mind which prevailed in Russian military circles on the eve of the Austrian ultimatum to Serbia. "In Russia," writes General Danilov:

> the danger of an expansion of the conflict brought about by the murder of Sarajevo appeared so remote, that in the middle of July I was sent to the Caucasus in connection with the annual field training of staff officers—in spite of my office of Quartermaster General which closely identified me with all problems of national defense. The officer in charge of the Operative Department of the Western Front, Col. Sholkov, went on leave to a seaside resort of the Crimea almost simultaneously with my departure. Our work in St. Petersburg was carried on by our deputies. Before leaving I suggested to the Chief of the General Staff that my trip to the Caucasus should be cancelled, in order to await further political developments, but General Yanushkevich decided that there was not sufficient ground for altering the arrangements already made.[1]

The optimism of the military leaders was shared to a large extent by the diplomats. The diary of the Russian Foreign Office, kept by Baron Schilling and first published by the Soviet Government in the *Krasni Arkhiv* in 1923,[2] betrays no signs of

[1] Danilov, *op. cit.*, p. 11.

[2] Published in English under the title *How the War Began* (Allen and Unwin, London, 1925). This publication will be referred to in the following pages as Schilling's diary.

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anxiety until July 22, when Sazonov sent a telegram to the Russian Ambassador in Vienna asking him "to point out in a friendly but firm manner the dangerous consequences of any action on the part of Austria of an unacceptable character with regard to the dignity of Serbia."[1] The preceding entry in the diary gives an account of Sazonov's interview with Count Szapary on July 18. After the departure of Count Szapary, Sazonov told Schilling that "he had had no need to resort to threats, as the Austro-Hungarian Ambassador has sufficiently and emphatically assured him of his Government's love of peace: "*Il a été doux comme un agneau.*"[2] "Even as late as Thursday morning [July 22]," Prince Kudashev telegraphed from Vienna, "nothing pointed to that dramatic change in the situation occasioned by the handing in of the Austrian ultimatum to the Serbian Government that same evening."[3]

The contents of the Austrian ultimatum became known to the Saint Petersburg Foreign Office early on July 24 and took Russian official circles entirely by surprise. At 3 p. m. the Council of Ministers met at Krasnoe Selo and approved the suggestions made by Sazonov, viz. to request Austria to grant Serbia an extension of time for replying to the ultimatum; and to advise Serbia to offer no military resistance to Austria, but to appeal to the Great Powers. At the same time the Council empowered the Ministers of War and Marine "according to the progress of events, to order the mobilization of the four military districts of Kiev, Odessa, Moscow and Kazan, and the Baltic and Black Sea fleet."[4] Mr. Binkley rightly remarks that "the journal of the Council of Ministers [quoted above] . . . strongly testifies that the original intention of the Russian Government (perhaps, by implication, of the French Government

[1] Schilling's diary, p. 27.

[2] *Ibid.*, p. 27.

[3] *Ibid.*, p. 38; dispatch from the Chargé d'Affaires in Vienna, July 26, 1914, No. 46.

[4] Robert C. Binkley, "New Light on Russia's War Guilt", in *Current History*, January, 1926, p. 533. Mr. Binkley quotes the text of the journal of the Council of July 24, a copy of which is now preserved in the Hoover War Library. *Cf.* Schilling's diary, p. 30.

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also) was honorable and pacific."[1] In pursuance of the policy laid down by the Council, Sazonov sent to Belgrade the same day the following telegram (No. 1487): "In view of the helpless situation of the Serbians, it would be better for them to offer no resistance, but to address an appeal to the Great Powers."[2] On July 25 a Crown Council assembled at Krasnoe Selo and was presided over by the Emperor. The Council approved the decisions taken by the Council of Ministers the day before and ordered the "pre-mobilization" period to be declared as from July 26.[3] The mobilization of the four military districts was decided upon, but only *in principle*. The final proclamation of the mobilization was made dependent on the course of the negotiations. In the meantime Sazonov continued his efforts to bring about the peaceful solution of the crisis. He telegraphed to London and Belgrade suggesting the mediation of England.[4]

What was the attitude of Russian military men towards the declaration of partial mobilization? General Sukhomlinov, Minister of War, and General Yanushkevich, Chief of the General Staff, were both present at the Council of Ministers of July 24 and the Crown Council of July 25. They did not oppose, so far as we know, the decision for partial mobilization. It was, however, greatly resented by the responsible officials of the General Staff. "Partial mobilization," writes General Dobrorolsky, "would make the subsequent general mobilization impossible."[5] And "partial mobilization would be pure folly."[6] The reasons justifying this point of view were given above. General Danilov writes:

> It is easy to understand the decision of those members of the Council who had little knowledge of purely military problems

[1] Binkley, *loc. cit.* p. 533.

[2] Schilling's diary, p. 33.

[3] *Ibid.*, p. 33; Pierre Renouvin, *Les Origines immédiates de la Guerre* (Paris, 1925), p. 99.

[4] Telegrams No. 1489 and No. 1494, Schilling's diary, p. 35.

[5] Dobrorolsky, *op. cit.*, p. 61.

[6] *Ibid.*, p. 65.

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> and were not acquainted with the technical side of mobilization. They were solely guided by the natural desire of safeguarding the honor of Russia and of avoiding at the same time anything that could suggest a hostile attitude towards Germany. But how can it be explained that General Sukhomlinov, who took part in the Council, deemed it possible to agree even without a word of protest to a decision which put Russia in a very dangerous postion? Was it mere negligence or utter incompetence?[1]

General Dobrorolsky maintains that General Yanushkevich was fully aware of the danger of a partial mobilization.[2] But General Danilov contests this view and thinks that the Chief of the General Staff, who was only recently appointed, was not yet sufficiently familiar with the details of the mobilization plan. It took some time to prove to him that the decision of July 25 was full of danger.[3] A hurried scheme for the mobilization of four military districts was drawn up by General Dobrorolsky and his staff, in spite of their conviction that its application would do untold harm to the defense of the country.[4]

While this work was going on at the War Office, on July 25, Sazonov made two more attempts to bring pressure upon Austria. He sent a telegram to Rome (No. 1505)[5] asking that the Italian Government exercise a moderating influence in Vienna. In a telegram to Berlin (No. 1508)[6] he urged the German Government to support the demand addressed to Austria by St. Petersburg. On July 27 Sazonov accepted Sir Edward Grey's suggestion to submit the dispute to a conference of four Great Powers assembled in London. His telegram to the Russian ambassadors at Paris and London ends with the assurance that, if direct negotiations with Austria prove a failure, he is ready "to accept the English proposal, or *any other*

[1] Danilov, *op. cit.*, p. 12.

[2] Dobrorolsky, *op. cit.*, p. 69.

[3] Danilov, *op. cit.*, p. 13.

[4] *Ibid.*, p. 13.

[5] Schilling's diary, p. 37.

[6] *Ibid.*, p. 37.

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calculated to bring about a favorable solution of the conflict."[1] Sazonov also urged Montenegro "to observe a waiting and pacificatory attitude" (Telegram No. 1523).[2]

The gloomy political outlook strengthened the apprehensions of Russian military leaders and induced them to increase the pressure upon Yanushkevich and Sukhomlinov, and through them upon Sazonov and the Emperor, in order to obtain the cancellation of partial mobilization. Quartermaster General Danilov was recalled from the Caucasus and reached St. Petersburg on July 26. The political situation he found there was, in his opinion, so grave that he wired to his family, then in residence in the province of Podolsk adjoining the Austrian frontier, asking them to return to St. Petersburg at once.[3] General Danilov used all his influence to bring about the revision of the decision concerning the mobilization of the four military districts. He drew the attention of General Yanushkevich, not only to the technical, but also to the strategical dangers of partial mobilization. On his special request the Chief of the General Staff agreed to have the whole matter thoroughly examined by a conference which included, in addition to Yanushkevich and Danilov, General Dobrorolsky and General Ronzhin, head of the Department of Military Transportation.[4] General Danilov does not mention in his book the exact date when the conference assembled. It was probably July 28. The argument of his colleagues, coupled (one may assume) with the threatening political situation created by the declaration of war on Serbia by Austria, finally overrode the resistance of General Yanushkevich and he gave orders for the preparation of two imperial ukases—one for the partial and the other for the general mobilization.[5]

Sazonov immediately announced to the various European capitals that, in consequence of the declaration of war by

[1] *Russian Orange Book* (1914), No. 32. Italics are mine.

[2] Schilling's diary, p. 42.

[3] Danilov, *op. cit.*, p. 13.

[4] *Ibid.*, p. 13.

[5] *Ibid.*, p. 13; Dobrorolsky, *op. cit.*, p. 145.

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Austria on Serbia, Russia had decided to order partial mobilization (Telegram No. 1539, July 28).[1] The telegram specially emphasized "the absence on the part of Russia of any aggressive intentions regarding Germany." There seems to be little doubt that the decision to bring into operation the military measures decided upon *in principle* by the Council of Ministers of July 24 and the Crown Council of July 25 was due to the declaration of war on Serbia by Austria. "The change in the dispositions of the Minister [Sazonov]," writes Count Pourtalès, "took place only on the 28th, when it became known that the firm attitude of Russia did not prevent Austria from declaring war on Serbia. Undoubtedly the change in the attitude of Sazonov was primarily due to this step of Vienna."[2] This view is also held by von Chelius, who telegraphed to Emperor Wilhelm on July 29 that, in the opinion of Russian court circles, the European war had become "almost inevitable" as a result of the declaration of war on Serbia by Austria.[3]

Let us now consider the immediate events which led to the transition from partial to general mobilization. July 29 was a critical day. There is a certain amount of controversy as to the exact time when different events took place. General Dobrorolsky maintains that the ukase signed by the Tsar and ordering general mobilization was handed to him by General Yanushkevich in the morning of July 29.[4] He then describes in detail his visits to the Ministers of War, of Marine and of the Interior in order to obtain their signatures on the mobilization telegram. It appears from this narrative that the telegram was

[1] Schilling's diary, p. 44; *Un Livre noir* (Paris, 1922-23), vol. II, p. 283.

[2] Preface by Count Pourtalès to the German edition of General Dobrorolsky's memoirs: *Die russische Mobilmachung in 1914* (Berlin, 1922).

[3] German documents collected by Karl Kautsky, No. 344.

[4] Dobrorolsky, *op. cit.*, p. 146: "The ukase was to be sent to the Senate [Supreme Court] for publication; but before this could be done, it was necessary to get in touch with the ministers of war, marine, and of the interior, in order that they could sign the mobilization telegram, because, in accordance with the law, it was only after their signatures had been affixed that the mobilization order could be communicated to the commanding officers, governors-general and governors."

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ready only at about 9 p. m., that is, that it took some ten or twelve hours to have a document of this importance signed by three ministers! This seems extremely unlikely and does not agree with Baron Schilling's diary, which puts the issue of the general mobilization order at a time after 3 p. m., probably not before 5 p. m.[1]

Taking into consideration the fact that Baron Schilling kept his records on the spot and has given a very detailed account of the happenings of those days, while General Dobrorolsky was writing after an interval of ten years, one is inclined to prefer Baron Schilling's evidence. The admission of Schilling's account—and this seems only reasonable—will explain Sazonov's attitude in his conversation, on the morning of July 29, with Count Szapary, to whom he mentioned a "mobilization on a considerable scale" which had been decided upon,[2] as well as his interview, at 11 a. m. on the same day, with Count Pourtalès, whom he informed that a mobilization would be ordered in the districts adjoining the Austrian frontier.[3] Sazonov could not possibly ignore the fact that general mobilization had been ordered (we assume for the sake of argument that General Dobrorolsky's version is correct) and in the circumstance his declarations to the ambassadors of the Central Empires would have been nothing short of wilful deceit or, at least, as M. Renouvin mildly puts it, of an endeavor to "*induire en erreur*" his prospective enemies.[4] An action of this kind was not only hardly compatible with the dignity of the Foreign Minister of a Great Power and with the honorable behavior of a gentleman, but would also have been futile, as general mobilization could not have been kept secret. It seems much more reasonable to admit that General Dobrorolsky made certain mistakes in questions of detail, which is only too natural when a man writes from memory after a period of ten years. M. Renouvin himself is compelled to recognize that General Dob-

[1] Schilling's diary, p. 49.

[2] *Austrian Red Book* (1919), III, No. 19.

[3] *German Documents*, No. 343.

[4] Renouvin, *op. cit.*, p. 106.

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rorolsky's chronology concerning the events of July 30 is defective.[1]

In accordance with Baron Schilling's diary, Count Pourtalès paid a second visit to the Foreign Office at 3 p. m. on July 29 and read Sazonov a telegram from the Chancellor stating that "if Russia continues her military preparations, even though she does not proceed to mobilize, Germany would find herself compelled to mobilize, in which case she would immediately proceed to take the offensive,"[2] This communication seems to have dispelled the last hopes Sazonov may still have had. He sharply remarked, "*Maintenant je n'ai plus de doute sur les vraies causes de l'intransigeance autrichienne.*"[3] Soon after the departure of the German ambassador, the Emperor telephoned to Sazonov and told him that he had just received a telegram from Emperor Wilhelm urging him not to allow events to develop into a war.[4] Sazonov informed the Emperor of his interview with Count Pourtalès and pointed out the contradictions between the declarations of the German Emperor and those of his ambassador. He also asked the Emperor to allow him to discuss the problem of mobilization with the Ministers of War and of Marine. The Emperor agreed and the conference immediately took place in General Yanushkevich's[5] room. The two ministers and the Chief of the General Staff came to the conclusion that "in view of the small probability of avoiding a war with Germany it was indispensable to prepare for it in every way in good time, and that therefore the risk could not be accepted of delaying a general mobilization later by effecting a partial mobilization now. The conclusion arrived at at this conference was at once reported by telephone to the Tsar, who authorized the taking of steps accordingly."[6] This decision was received with a comprehensible feeling of relief

[1] Renouvin, *op. cit.*, pp. 145-146.

[2] Schilling's diary, p. 48; *German Documents,* No. 342.

[3] Schilling's diary, p. 48.

[4] *German Documents,* No. 335; Schilling's dairy, p. 49.

[5] Schilling's diary, p. 49.

[6] *Ibid.*, p. 50.

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by the men responsible for the defense of Russia. In accordance with the version given in the diary of Baron Schilling, the general mobilization order was issued late in the afternoon. If this chronology is correct, Sazonov was perfectly sincere when he declared to the Austrian and German ambassadors in the morning of the same day that Russia had decided to order a partial mobilization; he did not mention general mobilization for the simple reason that it was not yet decided.

Immediate orders were given for general mobilization. At 9.20 p. m., however, Emperor Nicholas received a telegram from Emperor Wilhelm promising to do his best to promote a direct understanding between St. Petersburg and Vienna, and insisting that military measures would prejudice his rôle as mediator.[1] Emperor Nicholas immediately and on his own initiative[2] cancelled the order for the general mobilization, for which partial mobilization was then substituted. A telegram worded accordingly was dispatched to the officers commanding the four military districts of Kiev, Odessa, Moscow and Kazan at about midnight.[3]

General Sukhomlinov during his trial in 1917 maintained that he disregarded the order of the Tsar and that he went on with the general mobilization in spite of it.[4] His evidence, however, was flatly contradicted by Generals Yanushkevich[5] and Dobrorolsky.[6] Sukhomlinov himself does not insist on his own evidence in his more recent publications.[7] General Dobrorolsky rightly remarks that the very idea of such disobedience to an order of the Emperor could be conceived only after the revolution. It is surprising, therefore, to find that some historians and diplomatists of high standing, for instance, G. P.

[1] *German Documents,* No. 359; Schilling's diary, p. 55.

[2] Maurice Paléologue, *La Russie des Tsars pendant la Guerre* (Paris, 1921), vol. I, p. 37.

[3] Dobrorolsky, *op. cit.,* pp. 148-149.

[4] Pierre Renouvin, "La mobilisation russe en 1914", in *Revue d'Histoire de la Guerre Mondiale,* April 1924, p. 61.

[5] *Ibid.,* p. 65.

[6] Dobrorolsky, *op. cit.,* p. 149.

[7] *Cf.* Renouvin, *Les Origines immédiates de la Guerre,* p. 109.

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Gooch[1] and Sir George Buchanan,[2] accept Sukhomlinov's version.

The partial mobilization ordered during the night of July 29–30 was timed to begin on July 30; that is, July 30 was declared the first day of the mobilization of the four military districts.[3]

Early in the morning of July 30 Sazonov had another interview with Count Pourtalès and, on his demand, drafted the well-known formula for the peaceful solution of the crisis.[4] It will be remembered that in the course of the previous day, July 29, Sazonov had telegraphed to the Russian Chargé d'Affaires in Berlin that "the best manner of turning to account the most suitable methods of finding a peaceful solution would be by arranging for parallel discussions to be carried on by a conference of the four powers—Germany, France, England and Italy—and by a direct exchange of views between Austria-Hungary and Russia. . . ."[5] Later the same day, on the receipt of a telegram from Shebeko announcing the general mobilization of Austria,[6] Sazonov telegraphed to London that "nothing remains for us to do but to rely entirely on the British Government to take the initiative in the steps which they may consider advisable."[7]

Another effort to secure peace came in the evening of the same day (July 29) from Emperor Nicholas who, on his own initiative and without even informing Sazonov, telegraphed to Emperor Wilhelm suggesting a submission of the Austro-Serbian conflict to the Conference at the Hague.[8]

July 30 was the day of final decisions concerning Russian mobilization. Here again we have to discard the chronology of General Dobrorolsky and to accept that of Baron Schilling.

[1] G. P. Gooch, *History of Modern Europe* (1923), p. 546.

[2] Sir George Buchanan, *My Mission to Russia* (1923), vol. I, p. 200.

[3] Dobrorolsky, *op. cit.*, p. 149.

[4] Schilling's diary (p. 52) gives the time of this interview as 2 a. m. This statement has been challenged by Pourtalès who maintains that the interview took place at midday on July 30.

[5] *Russian Orange Book* (1914), No. 49.

[6] *Ibid.*, p. 47.

[7] *Ibid.*, p. 50.

[8] Schilling's diary, pp. 54-55; Paléologue, *op. cit.*, pp. 285 *et seq.*

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Sazonov was rapidly losing faith in the possibility of avoiding a world war, and yielded to the pressure brought upon him by the General Staff. At 11 a. m. he discussed the situation with Sukhomlinov and Yanushkevich. The danger of partial mobilization was now fully admitted. Sukhomlinov and Yanushkevich endeavored to induce the Tsar by telephone to cancel his decision of the night before and order general mobilization. The Tsar, however, refused to yield to argument and only reluctantly agreed to grant an audience to Sazonov at 3 p. m. In the meantime, the Chief of the General Staff "warmly pleaded with S. D. Sazonov to persuade the Tsar without fail to consent to a general mobilization." It was decided that Sazonov should communicate the Tsar's decision to General Yanushkevich by telephone. "After that" (in case of a favorable decision), said Yanushkevich, "I shall go away, smash my telephone and generally adopt measures which will prevent anyone from finding me for the purpose of giving contrary orders which would again stop our general mobilization."[1] At 12.30 p. m. Sazonov lunched with Krivoshein and Schilling at Donon's, and at 2 p. m. he left for Peterhof where the Tsar was in residence.[2] He was received by the Tsar, together with General Tatistchev.

> During the course of nearly an hour the Minister proceeded to show that war was becoming inevitable as it was clear to everybody that Germany had decided to bring about a collision, as otherwise she would not have rejected all the pacificatory proposals that had been made and could easily have brought her ally to reason. Under these circumstances it only remained to do everything that was necessary to meet war fully armed and under the most favorable conditions for ourselves. Therefore it was better to put away any fears that our warlike preparations would bring about a war, and to continue these preparations carefully rather than by reason of such fears to be taken unawares by war.[3]

[1] Schilling's diary, pp. 62-64.

[2] Major Cyprian Bridge, the translator, insists on describing the early afternoon meal as breakfast; *cf. op. cit.*, p. 29.

[3] Schilling's diary, pp. 64-65.

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Sazonov had to use a good deal of eloquence before he succeeded in overcoming the reluctance of the Emperor. Finally the latter gave his consent, about 4 p. m., and Sazonov telephoned the decision to Yanushkevich at once; he added at the end of their conversation: "now you can smash your telephone."[1] We have quoted Schilling's diary at considerable length because it clearly shows the conflict between the desire for peace on the part of the Emperor and Sazonov, on one hand, and the apprehensions of the General Staff, on whom rested the responsibility for the safety of the country, on the other. It is also apparent from the excerpts quoted above that General Dobrorolsky's assertion[2] that the mobilization order was communicated by Sazonov to Yanushkevich at 1 p. m. is due to a fault of memory. The evidence of Schilling on this particular point is corroborated by General Danilov[3] and M. Paléologue.[4]

The catastrophe which hung over the Russian army as a result of the decision of July 29 was now averted. July 31 was the first day of the general mobilization; the first day of the partial mobilization was July 30. But in accordance with the mobilization plan, the first day of the mobilization was allowed for the arrangement of personal affairs of the reservists, and no movement of troops took place on that day. Now that the order for partial mobilization was merged in the order for general mobilization, the reservists of the four military districts where partial mobilization began on July 30 had merely one extra day for arranging their private affairs. The mobilization plan was brought into operation simultaneously throughout the Empire.

We may add that the false report of German mobilization in the *Lokalanzeiger* can no longer be regarded as one of the reasons which determined the declaration of the Russian gen-

[1] Schilling's diary, pp. 65-66.

[2] Dobrorolsky, *op. cit.*, p. 150.

[3] General Danilov, "La mobilisation russe en 1914. Temoignage du Général Danilov," in *Revue d'Histoire de la Guere Mondiale*, October, 1923, p. 266.

[4] Paléologue, *op. cit.*, p. 39: "La pendule marque exactement quatre heures."

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eral mobilization. The views of Count Montgelas[1] on this subject have now been generally accepted even by the friends of Russia,[2] although Bethmann-Hollweg admitted in 1914 that the false news circulated by the *Lokalanzeiger* could be the immediate cause of the Russian mobilization.[3]

[1] Montgelas, *op. cit.*, p. 215 *et seq.*

[2] Renouvin, *Les Causes immédiates de la Guerre*, p. 149.

[3] *German Documents*, No. 488.

Professor Barnes's statement of "Sazonov's Apology and Retreat" (Barnes, *op. cit.*, pp. 364 *et seq.*) does not seem to follow from the documents on which it is supposed to be based. Summarizing an interview with M. Sazonov in the *New York Times* of May 11, 1924, Professor Barnes says that: "Sazonov then resurrects the ancient myth of the *Lokalanzeiger* article. He states that he was unwillingly brought to the order for general mobilization by the publication of a false report of the German mobilization in the Berlin *Lokalanzeiger* at 2 P. M. (Russian time) on July 30th. This is a most transparent falsehood." The fact is that Sazonov said something very different. I may perhaps be excused for quoting the interview at some length. "By this time (July 30th)," said M. Sazonov, "my hope of preventing war had very greatly weakened. I had begun to see that Berlin could not be relied upon to moderate the attitude of Austria, as had been the hope not only of myself but of the Emperor. The order for general mobilization had been withheld by the Emperor, in spite of the order of the chief of the General Staff, General Yanuskevitch. Even then it was only after long indecision that the Emperor consented to my telephoning to General Yanuskevitch on the evening of July 30th that the general mobilization should be called. It was at that juncture that the news of the general mobilization published by the *Lokalanzeiger* reached us from our Ambassador. Personally, I still believe that news to be true, although it was immediately denied in Berlin. The telegram announcing the mobilization reached us within two hours of its dispatch. The second telegram from M. Sverbieff, containing the denial, was delayed in a way which is still unexplained, and that delay is responsible for the *impression* (italics are mine) produced in Russia that the irrevocable step had been taken by Germany."

If we examine M. Sazonov's Foreword to Baron Schilling's Diary, his second pronouncement quoted by Professor Barnes, we shall find a reference on page 9 to the *Lokalanzeiger* affair as one of the "facts which preceded" the Russian mobilization or "coincided with it". As I was directly connected with the preparation of the English edition of the Schilling Diary, although by no means responsible for the deplorable translation, I may say here that the word "coincided" was explicitly inserted by M. Sazonov in order to cover the *Lokalanzeiger* incident. It seems clear, therefore, that M. Sazonov never made the statement attributed to him by Professor Barnes, with whom I heartily agree in his condemnation of "flagrant and easily detected falsification of readily verifiable facts".

Professor Barnes mistakenly infers that the interview with M. Sazonov was

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Looking back on the events which determined the decision of Russia, we see the sweeping change which took place in the general outlook of her military and political leaders in the course of twelve days, from July 18 to July 30. On July 18, describing his interview with Count Szapary, Sazonov said that he was "*doux comme un agneau.*"[1] On July 29 he sternly remarked to the German ambassador, "*Maintenant je n'ai plus de doute sur les vraies causes de l'intransigeance autrichienne.*"[2] The optimism of Sazonov died away under the chilling effect of the uncompromising policy of the Central Empires. The attitude of Russia's military leaders suffered a similar reversal. On July 24 and 25 Sukhomlinov and Yanushkevich accepted without protest the possibility of a partial mobilization. But they soon realized the danger contained in this decision with re-

obtained by the *New York Times* "in order to offset the effect" of his own article in *Current History* for May, 1924; but as a matter of fact, the idea of interviewing M. Sazonov originated in Europe early in March, 1924, and was carried out at the end of March and the beginning of April. I was among those immediately connected with the matter and I may assert positively that we knew nothing about Professor Barnes's proposed article, being merely interested in bringing forward historical evidence.

At the time when this article was going to press the author received a personal letter, dated March 25, from M. Sazonov, excerpts from which are given below. This letter was written on the receipt of a draft copy of the present article which, however, did not contain the footnote on this page dealing with the *Lokalanzeiger* incident. It is quoted here with M. Sazonov's permission:

"I fully agree with everything that you say," writes M. Sazonov, "but I believe that you underestimate the importance of the declaration of the German mobilization announced in the *Lokalanzeiger* of July 30, 1914.

"It goes without saying that it did not cause our mobilization; this would have been impossible as is shown from the chronology of the events, but in our opinion it justified the step taken and considerably increased the anxiety which we all, and especially our military men, felt as a result of the rumors about military preparations in Germany which reached Petrograd from all sides and of the communications made by Pourtalès to the Foreign Office. I still think, because I do not know of anything that would shake this conviction, that the special edition of the *Lokalanzeiger* was issued intentionally to induce us to take decisive measures without delay, and then to shift all the responsibility to our shoulders under the cover of the also intentionally delayed or, to be exact, detained denial of the mobilization on its way to Russia. Such methods are quite common in German diplomacy and I understand only too well the policy of apology of Bethmann."

[1] *Cf. supra,* p. 211. [2] *Cf. supra,* p. 217.

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gard to the military position of Russia. The fading hopes of the diplomats and the growing anxiety of the military leaders were the two dominating factors of the situation. While the former were losing ground the latter were steadily approaching their goal. As M. Renouvin rightly says, the argument which won the day was the technical argument.[1] We have endeavored to trace the rapidly growing importance of the military technical factor. On July 24 and 25 its irresistible logic was understood clearly only by the subordinates, Dobrorolsky and Danilov, but it soon overcame the resistance of Yanushkevich, Sukhomlinov and Sazonov, and finally—after a long struggle—that of the Tsar. We may, perhaps, add that the way to victory for the military argument was paved by the growing certitude that there was no earthly means for escaping a world conflict.

From the point of view of Russian statesmen the proclamation of general mobilization did not mean the end of negotiations. Even after the decision had been taken, Sazonov continued his efforts towards the maintenance of peace. He declared to Pourtalès on July 31 "that the decision taken by the Imperial Government merely constituted precautionary measures" and that, despite Russian mobilization, "peace could be maintained if Germany would consent before it was too late to exercise a moderating influence upon her ally."[2] He also agreed, in accordance with the suggestion made by Sir Edward Grey, to an alteration of the formula proposed by him to Pourtalès the day before.[3] Emperor Nicholas telegraphed the same day to Emperor Wilhelm: ". . . It is technically impossible to stop our military preparations, which are obligatory owing to Austria's mobilization. We are far from wishing war. As long as the negotiations with Austria on Serbia's account are taking place my troops shall not make any provocative actions. I give you my solemn word for this. . . ."[4]

Even as late as August 1 Nicholas was still hoping that war might be averted. On that date he sent Wilhelm the following telegram:

[1] Renouvin, *op. cit.*, p. 155.

[2] Schilling's diary, p. 69.

[3] *Russian Orange Book* (1914), No. 67.

[4] Schilling's diary, pp. 72-73.

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> I received your telegram. Understand you are obliged to mobilize, but wish to have some guarantee from you as I gave you, that the measures *do not* [1] mean war and that we shall continue negotiating for the benefit of our countries and universal peace dear to all our hearts. Our long proved friendship must succeed, with God's help, in avoiding bloodshed. Anxiously, full of confidence, await your answer.[2]

And Sazonov, in the course of his last nterview with Pourtalès, who brought him the declaration of war, said that "although the order for general mobilization could not be changed, Russia did not refuse to continue negotiations for the purpose of arriving at a peaceful issue out of the present situation." [3] The documents quoted above seem to establish that in the opinion of the Russian Government the declaration of a general mobilization was not understood to mean war.

That Russian mobilization was inevitable under the circumstances was admitted by Sir Edward Grey when he informed the German ambassador on July 31 that "he did not see how Russia could be urged to suspend them [her military preparations] unless some limit were put by Austria to the advance of her troops into Serbia." [4] That this was the view held by the British Foreign Office and not a mere diplomatic support for Russia and pressure on Germany has been amply proved by the recently published *British Documents on the Origins of the War*. The confidential minutes made by the higher officials of Downing Street are of special value in this respect. Commenting on a dispatch from Sir Edward Goschen, Sir Arthur Nicolson wrote on July 29 as follows: "There have certainly been no indications that Germany has exercised any moderating influence at Vienna. It is going rather far to put the responsibility on Russia who has been willing to adopt any and every course likely to lead to peace. I suppose Germany wishes Russia to join with other Powers in keeping the ring while Austria strangles Servia." [5] On July 31, the day when Grey's dispatch quoted above was sent out, Sir Arthur Nicolson made

[1] Italics are mine.

[2] Schilling's diary, p. 81.

[3] *Ibid.*, p. 76.

[4] *British Blue Book*, 1914, No. 110.

[5] *British Documents on the Origins of the War*, vol. XI, p. 164.

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the following remarks: "Russia is taking very reasonable and sensible precautions, which should in no wise be interpreted as provocative. Germany, of course, who has been steadily preparing now wishes to throw the blame on Russia—a very thin pretext. However comments are superfluous."[1]

Did the representatives of the Central Powers really think that Russia meant war, that her mobilization was ordered for the purpose of precipitating an armed conflict, and that further negotiations were hence made impossible? An answer to this question may be found in the following official documents.

On July 28 the Austrian ambassador at St. Petersburg telegraphed to Vienna: "My impressions were that, in view of the prevailing disinclination to get into conflict with us, the Minister [Sazonov] was clinging to a straw in the hope of still escaping from the present situation."[2] Von Chelius telegraphed to Berlin on July 30: ". . . I have the impression that they have mobilized here [St. Petersburg] from a dread of coming events, without any aggressive intent. . . ."[3] Still more important is the statement made by Bethmann-Hollweg on July 30, 1914, to the Prussian Ministry of State: "The mobilization of Russia had indeed been ordered, but their measures of mobilization are not to be compared with those of Western Europe. The Russian troops may remain for weeks in this state of mobilization. Russia intends no war either, but has been forced to take her measures by Austria."[4] These documents speak for themselves.

It was not the purpose of this article to deny the fact that Russian mobilization was an important factor in the situation created by the Austrian ultimatum; it was intended to show how the mobilization became inevitable in the opinion of the Russian Government and of the Russian military leaders, and its actual bearing on the course of events. The whole situation was perfectly understood and lucidly stated as early as July 27 by Sir Eyre Crowe in a minute on No. 170 of the *British Documents on the Origins of the War:*

[1] *British Documents on the Origins of the War,* vol. XI, p. 214.

[2] *Austrian Red Book* (1919), No. 16. [3] *German Documents,* No. 445.

[4] *German Documents,* No. 456 (translated by Mr. C. Altschul, *op. cit.,* p. 397).

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> I am afraid that the real difficulty to overcome will be found in the question of mobilization. Austria is already mobilizing. This, if the war does come, is a serious menace to Russia who cannot be expected to delay her own mobilization, which, as it is, can only become effective in something like double the time required by Austria and Germany. If Russia mobilizes, we have been warned Germany will do the same, and as German mobilization is directed almost entirely against France, the latter cannot possibly delay her own mobilization for even the fraction of a day. From Sir M. de Bunsen's telegram No. 109 just come in, it seems certain that Austria is going to war because that was from the beginning her intention. If that view proves correct, it would be neither possible nor just and wise to make any move to restrain Russia from mobilizing.[1]

In summing up the contents of the preceding pages we may perhaps be justified in drawing the following conclusions:

(1) For technical and strategical reasons partial mobilization presented a serious danger with regard to the defense of the Russian Empire; these considerations therefore necessitated, in the view of Russia's military leaders, the transition from partial to general mobilization; Sazonov and the Emperor yielded to this view after a struggle which lasted for days.

(2) The declaration of partial mobilization was the result of the declaration of war on Serbia by Austria.

(3) The Russian Foreign Office did all in its power, short of giving Austria a free hand in dealing with Serbia, to bring about the peaceful settlement of the conflict.

(4) Technically speaking, the Russian mobilization was not equivalent to war, mobilization and declaration of war being two separate acts.

(5) In July, 1914, the Governments of Germany and Austria were aware that Russian mobilization did not necessarily mean war; it cannot be denied, however, that they had their own military problems to reckon with. But this is a subject entirely outside the scope of this article.

MICHAEL T. FLORINSKY

[1] *British Documents on the Origins of the War*, vol. XI, p. 120.

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THE AMERICAN OCCUPATION OF HAITI[1] I

THE relationship between the United States and Haiti is full of interesting paradoxes. Thus the constitution which Franklin D. Roosevelt, then Assistant Secretary of the Navy, wrote[2] for that country in 1917 declares[3] that "the Republic of Haiti is one and indivisible, free, sovereign and independent. Its territory is inviolable and cannot be alienated by any treaty or by any convention." Haiti is indeed

[1] The following works upon Haitian history and social life are helpful: Moreau De Saint Méry, *Description de la partie française de l'Isle Saint-Dominique à 1789* (2 vols., 1797); H. E. Mills, *The Early Years of the French Revolution;* Hardy, *The Negro Question in the French Revolution;* Bryan Edwards, *An Historical Survey of the Island of Saint Domingo together with a History of the War in the West Indies in 1793 and 1794* (1801); Stoddard, *The French Revolution in San Domingo;* Hassal, *Secret History* (Letters to Aaron Burr by an American present during the struggle between the French and the blacks, 1808); Harvey, *Sketches of Haiti from the Expulsion of the French to the Death of Christophe* (London, 1827); Hazard, *Santo Domingo Past and Present with a Glance at Haiti.* Two English books which give a very unfavorable and somewhat biased account of Haitian life are those of Sir Spencer St. John, *Haiti or the Black Republic* (1884); Hesketh Prichard, *Where Black Rules White* (1900). The reply of J. N. Léger to these attacks is, however, equally biased: *Haiti, Her History and Her Detractors* (1907). *Cf.* Tippenhauer, *Die Insel Haiti* (2 vols.; Leipzig, 1891); Aubin, *En Haïti* (1910); Marcelin, *Haïti, Les Guerres Civiles* (Paris, 1892); Marcelin, *Bric-à-Brac* (Paris, 1904); Magloire, *L'Erreur revolutionnaire* (Port-au-Prince, 1909); Johnson, *Self-Determining Haiti* (Originally published as four articles in *The Nation,* New York, 1920); S. G. Inman, *A Trip through Santo Domingo and Haiti with the American Marines* (1920); Carl Kelsey, "The American Intervention in Haiti and the Dominican Republic," *Annals of American Academy of Political and Social Science,* vol. C (1922), pp. 112-202. See also the complaint of the Union Patriotique d'Haïti in *The Nation,* May 15, 1921. Mrs. Blair Niles's travel book, *Black Haiti* (1926), is interesting. A study of the situation since 1915 is *Occupied Haiti* (1927), written by Emily G. Balch, the present author, and others. Other references are given in the footnotes to this article.

[2] See the speech by Franklin D. Roosevelt at Butte, Montana, August 18, 1920. "The facts are that I wrote Haiti's constitution myself and, if I do say it, I think it is a pretty good constitution." *New York Times,* August 19, 1920, p. 15.

[3] *Constitution de la République d'Haïti* (Port-au-Prince, 1918), p. 3.

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a member of the League of Nations and maintains diplomatic representatives abroad. In fact, however, the United States has controlled the country by military force since 1915. A regiment of American marines is quartered behind the President's palace, and Brigadier-General John H. Russell, acting as the American High Commissioner, gives the directions as to what shall be done. An American, Dr. W. W. Cumberland, appointed by the President of the United States, is the Receiver of Customs and the Financial Adviser. He not only collects the customs but draws up the budget and controls expenditure. The Haitian gendarmerie, which is a combined army and police force, is mainly officered by commissioned and non-commissioned American marine officers and the gendarmerie as a whole is constantly under our direction. Americans appointed by our government are also in charge of the sanitary and the public works services and of agricultural education.

The chain of circumstances by which we have come to exercise such control over a supposedly independent nation is little known by Americans. A narration of the steps by which American control has been secured and perpetuated may be of interest not only for itself but also as an indication of the way in which the foreign policy of a democracy such as our own may be turned to imperialistic ends without the knowledge or consent of the voters.

I

Relations between the United States and Haiti up to the time of the Occupation

From 1910 to 1915 political conditions in Haiti became increasingly insecure. President Antoine Simon had in 1910 granted undue favors to at least three sets of foreign investors. In the first place, a syndicate headed by an American adventurer by the name of James P. McDonald, who came to Haiti as a free lance and not as an agent of any large American interest, secured a concession to build a railroad from Port-au-Prince to Cape Haïtien. By the terms of the contract, Haiti agreed to guarantee six per cent interest on the cost of constructing the railroad, up to a maximum of $33,000 a mile.

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This, it will be seen, pledged the Haitians to guarantee an annual payment of approximately $2000 a mile.[1] In this were consolidated previous concessions granted in 1905[2] to a Philadelphia group but used by them for the purpose of fleecing investors in the United States rather than for the construction of any line in Haiti.[3] At the same time McDonald secured another contract which gave him fifteen miles of land on each side of the railroad for the cultivation of bananas. This would have amounted to over a third of the area of the country. He was also given an export monopoly of bananas.

McDonald is believed to have secured the passage of this concession by bribing both houses of Congress. He is also said to have bribed Antoine Simon, but the latter for some reason delayed signing of the concession. McDonald is then said to have gone to the President's daughter, Célestine Simon, who was also the head of a voodoo cult, and who had a great deal of influence over her father. The conversation which is popularly thought to have occurred between them has become one of the classic stories of recent Haitian history. McDonald is said to have told Célestine Simon that all the crown princesses of Europe had collections of jewels and to have inquired "Where are yours?" Upon Mlle. Simon's replying that she had none, McDonald is supposed to have reached into his pocket, to have taken out a box and, opening it, to have held up a string of pearls for Mlle. Célestine to admire. The story runs that he then told her that the pearls were hers if and when her father signed the act granting the concessions. Antoine Simon signed the act that afternoon and the pearls are said to have been delivered to his daughter that evening. The cost of the pearls was five dollars. Thus a string of paste baubles is said to have precipitated Haiti into a financial venture which will in the end cost her people over eight millions

[1] For the text of these concessions see E. Mathon, *Annuaire de Législation Haïtienne,* 1910, pp. 52-66.

[2] For the text of these concessions see *Le Moniteur* (Port-au-Prince), 1905, pp. 509-10.

[3] See their prospectus, *Haiti and Her Resources.* J. B. Mayer was the President of this United Haiti Corporation and John Mainwaring was the treasurer.

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of dollars and which, as we shall see, was influential in bringing about American intervention in 1915.[1]

In the second place, the Banque de l'Union Parisienne, floated a loan of sixty-five million francs for the government on terms which were extremely advantageous to the promoters.[2] Ten millions of the loan were, under the terms of the agreement, deposited with the bank for the redemption of previous issues of paper money. The bank was not required to pay any interest upon this deposit.

In the third place, a syndicate composed of the Banque de l'Union Parisienne, the National City Bank, and three German-American banking firms, formed the National Bank of Haiti and secured an agreement whereby they were designated as the exclusive banking agency of the government and given the monopoly of note issue for fifty years.[3] This concession was at first intended for an exclusively European syndicate, but on the protest of Secretary of State Knox the American firms were given a one-fifth interest. Secretary Knox in turn persuaded these American banking houses to participate. The

[1] It is naturally impossible to verify definitely this story seventeen years after the fact, from the two participants. All groups in Port-au-Prince, however, seem to agree on the authenticity of this account. For a history of the railway see the excellent statement by Charles Dupuy, the resident manager of the road, "La Compagnie Nationale des Chemins de Fer d'Haïti," *Revue de l'Association Internationale des Hommes d'Affairs d'Haïti* (Port-au-Prince), Octobre-Novembre 1923, pp. 75-78; Décembre 1923–Janvier 1924, pp. 91-101. See also my article, "The National Railway of Haiti," *Nation*, January 19, 1927, vol. CXXIV, pp. 59-61.

[2] For the details of this loan see F. Marcelin, *L'Emprunt de 1910* and an analysis in *Le Moniteur*, 1912, pp. 395-400. Though the loan was for 65 million francs, at a nominal rate of 5 per cent, the loan was floated at 72.5 and thus the amount realized was 47 million francs. The loan therefore was really a 7 per cent loan. The bank retained 6.8 millions for no apparently good reason and 10 millions were to be used as a reserve with which to redeem the paper currency, while 30 millions were turned over to the Haitian government. This sum was dissipated in a quite shameful manner. For a previous scandal in connection with the 1899 and 1900 consolidations, in which over 6 million francs were apparently stolen by Haitian officials and officers in the bank, see *Report, Commission on Enquiry and Verification* (Port-au-Prince, 1904), p. 128, and Léger, *Haiti*, pp. 254-55.

The text of this concession can be found in *Le Moniteur*, 1910, pp. 600-06.

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initiative seems clearly to have come from Secretary Knox rather than from the bankers.[1]

The opposition to these concessions was so great that Antoine Simon was driven from the country in 1911. During the next four years, Haiti had no less than six presidents.[2] The first was blown up in the presidential palace, the second was probably poisoned, and the succeeding presidents were deposed by revolutions which almost invariably started in the north and proceeded southward to Port-au-Prince. During this period however, as at all previous times, both governmental and revolutionary forces were careful, because of their fear of intervention, not to kill or molest foreigners. The revolutions in Haiti were therefore domestic wars which did not menace the safety of foreign lives. The Haitians, in their anxiety to prevent the foreign powers from intervening, were also careful to keep up the interest payments on the foreign debt although in the last years of Haitian independence the amortization payments were not met.

From the middle of 1914 on, the United States Government made no less than six attempts to induce the Haitian government to grant it control over the Haitian customs.[3] Indeed, two special missions were sent by the State Department to negotiate such a treaty but the Haitians steadfastly refused.[4]

[1] Testimony of Mr. R. L. Farnham before Senate Committee on Inquiry into the Occupation and Administration of Haiti and Santo Domingo, 67th Congress, 1st and 2nd Session, pursuant to S. Res. 112, pp. 105-06.

[2] The successive governments in Haiti after President Nord Alexis were:

Name of President	*Assumed Office*	*Left Office*	*Method of Removal*
Antoine Simon	1908	August 2, 1911	Revolution
Cincinnatus Leconte	August 15, 1911	August 8, 1912	Assassination
Tancrède Auguste	August 8, 1912	May 2, 1913	Assassination
Michel Oreste	May 5, 1913	January 27, 1914	Revolution
Oreste Zamor	February 8, 1914	October 29, 1914	Revolution
Davilmar Théodore	November 7, 1914	February 22, 1915	Revolution
Guillaume Sam	February 25, 1915	July 28, 1915	Revolution—Assassination

[3] See *Foreign Relations of the United States, 1914,* pp. 339-40, 347-50, 359-63, 367-69; *ibid., 1915,* pp. 464-68.

[4] The missions were headed respectively by Ex-Governor Franklin Fort of New Jersey and by Paul Fuller.

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During this year also both the Haitian railroad and the National Bank became involved in serious financial disputes with the Haitian government. The Caribbean Construction Company, in which a number of insiders and the Ethelburga Syndicate participated, had been organized to build the railroad, but by 1914 only three disconnected sections, totaling approximately 110 miles, had been constructed. These three sections from Port-au-Prince to St. Marc, from Gonaives to Ennery, and from Cape Haïtien to Bahon, were apparently those for which, because of even topography, the construction costs were least. The full amount, however, of $33,000 a mile was charged by the construction company which had been organized by promoters of the venture. Whether or not the insiders in the Caribbean Company made a profit from the construction work is still a matter of dispute. The National City Bank claims that a loan which it made to the company has never been repaid.[1] Most of the bonds of the railroad had been floated in France by the W. R. Grace Co., but men closely connected with the National City Bank had by this time forced McDonald out from the control of the Company. McDonald had also lost his banana concession by failing to develop it. Mr. Roger L. Farnham, then in the employ of the National City Bank and later a vice-president in charge of Caribbean affairs, became president of the road and has ever since remained in that office.[2] The Haitian government made two interest payments upon the $3,545,000 of bonds which had been issued, but in 1914 it refused to make any further payments on the ground that the company had failed to fulfill its contract by not completing the road. Mr. Farnham, on the other hand, insisted that under the terms of the concession the interest should be paid for each section as it was built and that such payments were not contingent upon constituting a completed line. He also declared that the company had made an honest attempt to build a through line and that it

[1] The former head of the Ethelburga Syndicate also states that he lost money on the venture.

[2] Mr. Farnham is not now in the employ of the National City Bank.

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had been prevented from doing so only by the outbreak of political revolutions which had broken up the construction gangs and engineering staff and had made further construction impossible. It is very difficult to pass on the technical correctness of either of these two defences. The text of the contract seems to lend considerable strength to Mr. Farnham's first contention although there are not wanting impartial lawyers who hold that the contract could be interpreted otherwise. In considering the second claim, it should be remembered that the first two changes in the presidency were effected through assassination rather than through revolution and that most of the revolutions occurred *after* construction had been stopped. It is true, however, that the Zamor revolution of late 1913 and early 1914 did materially disturb economic conditions in the northern half of the country.

The situation as regards the recognition of the bonds was thus deadlocked. Since the construction company was making no further effort to complete the road, the Haitian government threatened as a penalty to foreclose upon the sections already constructed. The authorization claimed for this was Article 11 of the concession requiring the construction of five sections annually unless prevented by "*force majeure* duly verified." Secretary Bryan in September, 1914, thereupon cabled to the American minister that such forfeiture was in conflict with Article 10 of the concession and that if the Haitian government really intended to proceed in this manner they should be informed that "the United States will feel compelled to take such measures for the safeguarding of the rights of this company as it may deem necessary under the circumstances."[1] The Haitian government protested in reply that the contract of 1910 prohibited diplomatic intervention by the provision declaring that "in no case and for no reason shall disputes that may arise as to the interpretation of the clauses of the present contract give occasion for diplomatic recourse."[2] The Haitians also pointed out that in the event of a dispute concerning the interpretation

[1] *Foreign Relations, 1915,* p. 538. The despatch was of September 23, 1914.

[2] Article 16 of the 1910 concession, *ibid.,* p. 541.

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of the contract, the concession called for its arbitration by jointly selected umpires.[1]

Secretary Bryan replied to this note by asking the Haitian government to grant the railroad a three months' stay of proceedings during which time the United States would try to compose the differences and to secure the creation of a commission which would arbitrate all necessary issues. The American minister was instructed in concluding to inform the Haitian government that "it should not overlook the general disturbed financial situation and might well consider consequences arising from summary action at this time in estranging available sources of financial assistance." "It is best for all concerned," so the note ran, "that a satisfactory adjustment should be tried and arranged if possible previous to any final procedure by Haiti, thereby removing possible action by United States in pressing claims of company, should it appear, as now appears possible, that company's rights may not have been afforded full consideration and due process of law." [2]

Haiti then agreed to the extension of three months but protested against the implication in the first sentence that the United States was entitled to use political pressure for the purpose of inducing Haiti to accede to the claims of the company.[3] The company apparently made no further attempts to adjust matters or to arbitrate. The Zamor government was overthrown by Davilmar Théodore in November and the latter in turn succumbed to Guillaume Sam in February, 1915. These rapid changes, it is true, added to the difficulty of arriving at an agreement. At the suggestion of our State Department however, a further extension of one month was granted in December and this was prolonged by another month in January.

The American government had been proposing that Haiti send a commission which would come to the United States for the purpose of reaching an agreement in Washington as regards the railway and the bank and also respecting the control

[1] Article 16 of the 1910 concession, *Foreign Relations, 1915*, pp. 541-42.

[2] Note of October 2, 1914. *Ibid.*, p. 542.

[3] *Ibid.*, pp. 543-45.

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of the customs by the United States. For some time, indeed, such a concession on the part of Haiti had been considered the price for the recognition of the Théodore government.[1] But Haiti refused.

The bank was meanwhile also getting into difficulties with the Haitian government. The fiscal arrangements under which the two had operated had involved the deposit of all governmental receipts in the bank and the withdrawal by check of sums needed to meet current expenses. In the summer of 1914 the management of the bank declared that thereafter they would not pay out the governmental receipts until the end of the next fiscal year, which would have been September 30, 1915. They declared, in support of this position, that they were not compelled by the 1910 contract to pay out currently the amounts deposited, and that they had the power to decide annually under the "*convention budgetaire*" clause whether or not they would continue to make such payments. The American minister to Haiti cabled in June that "if at the end of the fiscal year . . . the bank shall not have renewed the convention, the government will find itself without funds of any sort and with no income and undoubtedly will find it most difficult to operate." "*It is just this condition*", he went on to state, "*that the bank desires, for it is the belief of the bank that the*

[1] *Foreign Relations, 1914,* p. 359. The salient passages of Bryan's cable of November 12 to Minister Blanchard were: "If in your opinion the government headed by Théodore is *de facto,* you are instructed to inform him that recognition by the United States will be granted him as provisional president when a commission to be named by the Haitian government with full powers to act upon certain questions of interest to this government and to the Republic of Haiti is in position to give necessary assurances." The following questions were to be dealt with by the commission:

"First. Customs convention between United States and Haiti in accordance with Department's instructions to you dated July 2." (These provided for the appointment by the President of the United States of a Receiver of Customs.)

"Second. Settlement of all matters outstanding between government of Haiti and the American railroad."

"Third. Settlement of questions outstanding between government of Haiti and the bank."

"Fourth. Agreement by Haiti to give full protection to all foreign interests in Haiti."

See also *ibid.,* pp. 360 *et seq.,* for subsequent pressure.

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government when confronted by such a crisis would be forced to ask the assistance of the United States in adjusting its financial tangle and that American supervision of the customs would result."[1] That this meant an impounding of the receipts for the period from September 30, 1914 to September 30, 1915, without recognizing any drafts for current expenditures is clearly shown by the following passages in Minister Smith's message. "The statement that the Government in the absence of a budget convention will be without income is based upon the fact that under the terms of the Loan Contract of 1910, the bank is designated as the sole treasury of the Government and as such receives all moneys of the Government and further is empowered to hold such moneys intact until the end of the fiscal year, which, in this particular case, would be September 30, 1915." The justification which Mr. Smith advanced for such action was that there was nothing in the contract requiring such "advancements" and that "the annual granting of the right to the government to draw on current funds was in the nature of an accommodation extended by the bank."[2]

During the autumn, the bank did limit the payments which it made to the government and the latter in consequence tried to issue paper money, amounting to 12,500,000 gourdes.[3] The bank protested against this issue on the ground that it was a violation of the contract of 1910, which precluded the issuance of fiduciary currency during the life of the agreement.[4] The State Department instructed the minister to discourage such an issue and the weight of our influence was thrown against this proposal.[5] The Haitian government, however, insisted on the necessity of issuing paper money in order to meet the expenses of the government—a need which had been made more acute

[1] *Foreign Relations, 1914,* p. 346; italics mine.

[2] *Ibid.*

[3] *Ibid., 1914,* p. 353. This was equivalent to approximately $2,500,000.

[4] Article XIII of the Concession.

[5] See instructions of Secretary Bryan on October 7, *Foreign Relations, 1914,* p. 354; and dispatches of November 27, *ibid.,* p. 362; December 4, *ibid.,* p. 364; and December 7, *ibid.,* p. 365. Also the dispatches of Minister Blanchard, December 2, *ibid.,* p. 363, and December 12, *ibid.,* p. 368.

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by the Théodore revolution of late October with an attendant creation of a large number of troops whom it was advisable to pay off. In December, an issue of sixteen million gourdes was authorized by the Haitian Congress, and two million were actually issued in January over the protest of both the American government and the bank.[1]

In the meanwhile, a critical situation had developed concerning the reserve belonging to the Haitian government but deposited with the bank, under the 1910 contract, to redeem the paper currency previously issued. Such redemption had been temporarily discontinued in 1913 and a considerable balance remained with the bank. The Théodore government needed money badly not only to meet its ordinary expenses but also to pay some of the costs incurred in the revolution, and was financially embarrased by the impounding of current receipts by the bank and by the American opposition to inflating the currency. It consequently sought to obtain possession of some of this reserve for the redemption of the previous issues of paper. The bank refused to surrender these sums on the ground that they had been entrusted to the bank for the definite purpose of redemption and that consequently the bank, in its capacity of trustee, could not consent to their being used for the current expenses of the government.[2] The bank became afraid that the government would break into its vaults to secure this money and accordingly asked our State and Navy Departments for a warship to transfer some of these funds to the United States, out of the reach of the Haitians.[3] The State Department agreed to make this transfer. At first only $110,000 was thus to be transported[4] but it was later decided to increase the amount to $500,000.[5] On December 17, the cruiser *Machias*

[1] *Foreign Relations, 1914,* p. 369; *1915,* p. 505.

[2] See the discussion of this point by Roger L. Farnham before the McCormick Committee, *Hearings Before a Select Committee on Haiti and Santo Domingo,* United States Senate, Sixty-Seventh Congress, First and Second Sessions (Pursuant to S. Res. 112), pp. 122-23. Nearing and Freeman in their *Dollar Diplomacy,* p. 136, do not give this defense of the bank.

[3] *Foreign Relations, 1914,* p. 365.

[4] *Ibid.,* p. 365.

[5] *Ibid.,* pp. 366, 369.

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arrived at Port-au-Prince, and a force of marines transferred this sum in gold from the bank to the warship, which then proceeded to New York, where the gold was deposited with the National City Bank.[1]

Subsequently, in 1919, the fund was returned to the Haitian government by the National City Bank, with 2½ per cent interest. This was more than the Haitian government would have received had the money been left with the National Bank of Haiti, since, as we have seen, no interest was paid by that bank on the gold deposits, under the 1910 contract, to redeem the paper issue. The rate paid, however, was less than the prevailing rate given by other banks in New York for similar deposits. It should not be forgotten, moreover, that this deposit of gold could be used by the National City Bank to create credit to several times this sum and thus to realize a correspondingly higher rate of return upon the gold itself.

The Haitian government protested bitterly at this act.[2] Later in the month of December, soldiers broke into the bank and, upon instructions from a lower Haitian court, took away $67,000 in gold.[3] As there were rumors that a further removal of funds would be attempted, the American government gave instructions to Admiral Caperton, commanding the American warships in Haitian waters, to prevent such action and instructed him "to issue to that government a warning that any attempt that might be made to remove the funds of the bank will compel you to take into consideration means to prevent such violation of foreign stockholders' rights."[4] Secretary Daniels immediately followed this message with one authorizing Caperton after consulting with the American minister "to land marines and sailors."[5] No further attempts were made to remove the reserve.

[1] For a description of this transfer see Mr. Farnham's testimony before the McCormick Committee, as cited above, p. 123.

[2] *Foreign Relations, 1914,* pp. 372-73, 377-79; *1915,* pp. 499-500.

[3] *Ibid., 1914,* p. 381; *1915,* p. 501.

[4] Testimony of Admiral Caperton before McCormick Committee, *op. cit.,* p. 292.

[5] *Ibid.*

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Thus the dispute between the bank and the government as regards the current payment of receipts, the legality of the issue of more paper money, and the struggle over the gold reserve brought matters to an apparent *impasse*. The Haitian government declared that the United States had no more right to use diplomatic pressure in the case of the bank than in that of the railway, since Article 24 of the bank contract had formally prohibited diplomatic intervention and had provided for the arbitration of all differences in the interpretation of the contract.[1] Haiti offered to submit the differences to arbitration[2] but this was not accepted by the bank.[3] Thereupon the Haitian government, on February 9, 1915, refused to continue paying its current receipts into the bank and instead deposited them with private merchants.

The succeeding months accordingly witnessed a complete breach between Haiti and the United States as regards both the bank and the railroad, while Haiti also continued to resist the American demand for customs control. During this period, a new wave of revolution swept down from the North and seated Guillaume Sam, a representative of the black party, in power.

In April still another revolution broke out in the north, headed by a Dr. Bobo,[4] and the rebel forces took temporary possession of Cape Haïtien. This city was later recaptured by the government forces. Because of the disorder, the French cruiser *Descartes* landed a small force of sailors to protect the French consulate, the bank, and the bishopric.[5] Admiral Caperton then proceeded to Cape Haïtien with the *Washington*, whereupon the French withdrew their force and American

[1] See the note of Louis Borno, Haitian Minister for Foreign Affairs, to Minister Blanchard, *Foreign Relations, 1915*, pp. 501-502.

[2] See the notes of Mr. Borno of January 8 and February 15, 1915, *ibid.*, pp. 502, 514.

[3] Minister Blanchard in his note of December 30, 1914, *ibid.*, p. 501, had nevertheless involved the arbitration provision in his protest against the seizure of the $67,000 by the Haitian soldiers.

[4] *Ibid.*, pp. 470-71.

[5] Dispatch of Consul Livingstone, June 21, *Foreign Relations, 1915*, pp. 472-73.

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marines were landed to prevent fighting from occurring within the city itself.[1]

On July 27, an uprising against the government broke out in Port-au-Prince itself. President Sam was driven from the palace and forced to seek sanctuary in the French Legation. The commandant of the National Prison, General Oscar, then proceeded to shoot the political prisoners whom Sam had imprisoned. Within the space of two hours he had massacred no less than one hundred and sixty-four persons. This so incensed the populace that on the morning of the 28th a mob broke into the French Legation, killed Sam, dismembered him, and then paraded through the streets with portions of his body on poles.[2] At almost precisely this juncture, the *Washington* entered the harbor. Sailors and marines were landed that afternoon and began to disarm the Haitian soldiers and various revolutionary bands which were in the city. Admiral Caperton, however, assured the citizens that the landing was entirely friendly and for the preservation of order and the protection of the legations.[3] On August 7, Acting Secretary of the Navy Benson instructed Admiral Caperton to issue the following proclamation:[4]

> Am directed to assure the Haitian people the United States of America has no object in view except to insure, establish and help to maintain Haitian independence and the establishing of a stable and firm government by the Haitian people. Every assistance will be given to the Haitian people in their attempt to secure these ends. It is the intention to retain United States forces in Haiti only so long as will be necessary for this purpose.

[1] See Admiral Caperton's testimony before the McCormick Committee, *op. cit.*, pp. 299-304.

[2] Dispatch of Chargé Davis, *Foreign Relations, 1915*, p. 475.

[3] *Ibid.*, p. 476.

[4] Testimony of Admiral Caperton before McCormick Committee, *op. cit.*, p. 313.

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II

Consolidation of American Control, 1915–1917

Despite Admiral Caperton's proclamation, the American forces did not retire when order was restored. Another president was to be elected. The two leading candidates were Dr. Bobo, leader of the revolution, and Sudre Dartiguenave, president of the Senate. Favoring the latter, Admiral Caperton cabled Secretary Daniels that Dartiguenave "realizes Haiti must agree to any terms laid down by the United States, professes to believe any terms demanded will be for Haiti's benefit, says he will use all his influence with Haitian Congress to have such terms agreed upon by Haiti."[1] At a later conference Dartiguenave repeated this pledge. Haiti, he said, would cede outright the Mole St. Nicholas (on the eastward side of the Windward Passage) and give the United States the control over customs and the right to intervene, together with other added privileges.[2] Caperton had previously cabled that if Dartiguenave were chosen he "must be sustained by American protection", and had added that the same would be true whoever else might be elected.[3] Dartiguenave and others now declared at this later conference that no government could "stand except through protection of the United States."[4]

Admiral Caperton then decided to permit the election to take place on August 12. On the 10th the State Department cabled Chargé Davis to

> let Congress understand that the government of the United States intends to uphold it but that it can not recognize action which does not establish in charge of Haitian affairs those whose abilities and dispositions give assurances of putting an end to factional disorder. Second, it should be made perfectly clear to candidates, as soon as possible and in advance of their election, that the United States expect to be entrusted with the practical control of the customs and such financial control over the affairs

[1] *Hearings,* McCormick Committee, p. 312.

[2] *Foreign Relations, 1915,* p. 478. August 7, 1915.

[3] *Hearings,* McCormick Committee, p. 312.

[4] *Foreign Relations, 1915,* p. 478.

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of the Republic of Haiti as the United States may deem necessary for efficient administration.[1]

On the same day, Acting Secretary Benson cabled[2] Admiral Caperton that "the United States prefers election of Dartiguenave."

Admiral Caperton had stated that Dr. Bobo and other minor candidates offered, if supported for the presidency, to give the United States any concessions desired.[3] On the day of the election, American troops surrounded the place of assembly of Congress and only those possessing cards signed by Senator Dartiguenave or the speaker of the Chamber of Deputies[4] were admitted. The justification offered for this was the fear that Bobo and his supporters would try to coerce Congress into electing him.[5] Some marines were present in the hall and Admiral Caperton has testified that his representative, Capt. E. L. Beach, "was present on the floor and mixed in with the senators and deputies."[6] It seems undeniable therefore that the election took place in a setting where the American military force could exercise a strong and perhaps predominating influence in favor of Dartiguenave. Dr. Bobo was assisted by the Americans, within the next two days, in finding passage out of the country.

On August 14, or two days after the election of Dartiguenave, the State Department instructed[7] Chargé Davis to negoti-

[1] *Foreign Relations, 1915,* p. 479.

[2] *Hearings,* McCormick Committee, p. 315.

[3] By way of exception, J. N. Léger, Haiti's leading statesman, when approached by Admiral Caperton's chief of staff, as to whether he would not serve as President, replied: "Tell the Admiral I will do everything in my power for Haiti; but I must watch and see what the United States will demand of Haiti, and be in a position to defend Haiti's interests in case the demands should be unreasonable. At this time I could not possibly accept the Presidency. I am for Haiti, not for the United States." *Hearings,* McCormick Committee, p. 320.

[4] Testimony of General Cole, *ibid.,* p. 675.

[5] Testimony of Admiral Caperton, *ibid.,* pp. 320-21.

[6] *Ibid.,* p. 321.

[7] *Hearings,* McCormick Committee, pp. 327-28.

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ate with Haiti a treaty which would authorize not only American control over collection of customs but also the appointment by the President of the United States of a Financial Adviser to draw up the budget and audit expenditures. Haiti was, moreover, to create a constabulary in which Haitian recruits would be officered by Americans designated by the President of the United States. American control over sanitation and public improvements was also demanded. Furthermore, a protocol was to be executed which would provide "for the settlement, by arbitration or otherwise, of all pending pecuniary claims of foreign corporations, companies, citizens or subjects against Haiti." Another clause provided that "the United States shall have authority to prevent any and all interference with the attainment of any of the objects comprehended in this convention as well as the right to intervene for the preservation of Haitian independence and the maintenance of a government adequate for the protection of life, property, and individual liberty." Finally, the treaty was to remain in force for ten years and could be renewed for ten years more at the request of either party. Recognition was not to be granted to the Haitian government until the Haitian Congress passed a resolution authorizing the negotiation of such a treaty.[1]

The proposed treaty, however, encountered considerable opposition. On September 8, Admiral Caperton cabled that the "treaty situation at present looks more favorable than usual. *This has been effected by exercising military pressure at propitious moments in negotiations.*"[2] Sannon, the Haitian Secretary of State, resigned and Louis Borno, who was favorable to the treaty, was appointed in his stead. At one time, indeed, it seemed probable that the President and Cabinet would resign rather than sign the treaty; in this event, Admiral Caperton was apparently prepared to set up a military government of the country with an American officer in charge.[3] This was

[1] *Hearings,* McCormick Committee, p. 327.

[2] *Ibid.,* p. 353; italics mine.

[3] See Admiral Caperton's dispatch of August 25, "in event resignation present Haitian government, I recommend that military government be established Port-au-Prince with American officer as military governor. . . . If mili-

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of course precisely the sequence of events which attended our intervention in the sister-republic of Santo Domingo in the following year. Martial law, moreover, had been declared by Admiral Caperton on September 3, on the ground that disorder threatened and that "in accordance with the law of nations and usages . . . of my own and other governments" he was "invested with the power and responsibility of government in all its functions."[1]

In the meantime, the Department of State on August 19 had asked Admiral Caperton to assume charge of virtually all the customs houses and to use the funds for the creation of a constabulary, for public works "and finally for supporting Dartiguenave government." Caperton was to try to get President Dartiguenave to ask that the Americans should seize the customs houses, but, the instructions added, "whether President so requests or not, proceed to carry out State Department's desire."[2] In view of Haitian opposition to the treaty and the small size of the American forces, Admiral Caperton urged in reply that such a seizure of the customs houses should be postponed until after he was furnished with four additional battalions of marines. As he cabled:

> United States has now actually accomplished a military intervention in the affairs of another nation. Hostility exists now in Haiti and has existed for a number of years against such action. Serious hostile contacts have only been avoided by prompt and rapid military action which has given United States control before resistance has had time to organize . . . Consider it imperative that these contemplated operations be kept for the present secret and undertaken only when force is available and custom service organized and ready. This secrecy extremely important now pending treaty negotiations.[3]

The customs houses were taken over gradually by Admiral

tary government is established we would be bound not to abandon Haitian situation until affairs of country are set to rights and predominant interests of United States of America secured." *Hearings,* McCormick Committee, p. 338.

[1] *Hearings,* McCormick Committee, p. 348.

[2] Testimony of Admiral Caperton, *Hearings,* McCormick Committee, p. 333.

[3] *Ibid.,* p. 335.

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Caperton. Those at Cape Haïtien, St. Mark and Gonaives were seized during the latter part of August and that at Port-au-Prince was taken on September 2. This latter seizure, with the desire to force the approval of the treaty, was undoubtedly one of the principal reasons for the proclamation of martial law on the following day.[1] This meant in effect that those who forcibly opposed the American occupation would be shot after a drum-head court martial. The other customs houses were soon taken and the current receipts were deposited to Admiral Caperton's account with the National Bank of Haiti, which thus received the treasury services again.

The Haitian President and his Cabinet finally approved the treaty on September 16 and the government was immediately recognized by the United States. The Haitian Congress was nevertheless reluctant to ratify the treaty. The American Occupation, however, controlled the finances, and thus could bring pressure to bear on Haitian officials. On October 8, Secretary Daniels instructed Admiral Caperton "to furnish the Haitian government weekly amount necessary to meet current expenses. Use funds collected Haitian customs. Question payment back salary will be settled by department immediately after ratification of treaty."[2] By this means congressmen would be induced to ratify the treaty and thus make certain of their back salaries. This was sufficient to cause the lower house to give its approval. The Senate, however, was made of sterner stuff and continued to withhold its assent for over a month. On November 9, Secretary Daniels cabled Admiral Caperton as follows:

> Arrange with President Dartiguenave that he call a cabinet meeting before the session of Senate which will pass upon ratification of treaty and request that you be permitted to appear before that meeting to make a statement. On your own authority state the following:

[1] President Dartiguenave, though a supporter of the American occupation, nevertheless protested against this seizure of the customs houses. *Hearings*, McCormick Committee, pp. 368-69.

[2] *Ibid.*, p. 383.

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"I have the honor to inform the President of Haiti and the members of his cabinet that I am personally gratified that public sentiment continues favorable to the treaty: that there is a strong demand from all classes for immediate ratification and that treaty will be ratified Thursday. I am sure that you gentlemen will understand my sentiment in this matter, and I am confident that if the treaty fails of ratification that my government has the intention to retain control in Haiti until the desired end is accomplished, and that it will forthwith proceed to the complete pacification of Haiti so as to insure internal tranquillity necessary to such development of the country and its industry as will afford relief to the starving population now unemployed. Meanwhile the present government will be supported in the effort to secure stable conditions and lasting peace, whereas those offering opposition can only expect such treatment as their conduct merits. . . . Rumors of bribery to defeat the treaty are rife but are not believed. However, should they prove true, those who accept or give bribes will be vigorously prosecuted." [1]

This was of course a clear threat to use force if the treaty were not ratified. Thus the statement that unless the treaty were approved, the United States would "forthwith proceed to the complete pacification of Haiti" was in the language of diplomacy tantamount to saying that we would conquer the country by force of arms and set up a government of our own. Similarly the statement that "those offering opposition [to the treaty] can only expect such treatment as their conduct merits" was a clear threat that those who opposed ratification might be punished and this, with our military and naval forces in Haiti, was no idle threat. There is much of the same implication in the final declaration that "those who accept or give bribes will be punished." The determination as to whether or not bribery had been practiced and the fixation of the penalties were both evidently to be in our hands, and in such a situation the sentences bade fair to be severe.

There is small wonder therefore that Secretary Daniels concluded his instructions with the confident words: "It is ex-

[1] *Hearings*, McCormick Committee, p. 394.

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pected that you will be able to make this sufficiently clear to remove all opposition and to secure immediate ratification." [1]

This message was given to the President and Cabinet in the morning, and that afternoon the treaty was ratified in the Senate by a vote of 26 to 7. The Senate did, nevertheless, pass a number of interpretative reservations defining what meanings were attached to various clauses. The phrase which they were most anxious to delimit and to define narrowly was the one providing that "the United States will lend an efficient aid for the preservation of Haitian independence and the maintenance of a government adequate for the protection of life, property, and individual liberty." [2]

In February, 1916, the United States Senate approved the treaty without agreeing to the Haitian reservations. The treaty was ratified by President Wilson on March 3, and ratifications were exchanged on May 3, whereupon the treaty went into effect.[3]

A commission was sent to Washington by the Haitian government to arrange for the settlement of various financial issues. An agreement was reached with the National Bank of Haiti [4] and the salaries and powers of the financial officials and engineers were also fixed.[5] The methods of organizing the gendarmerie were agreed upon.[6] The Haitian Commission would not agree, however, to recognize additional claims made by the National Railway of Haiti for damages which Mr. Farnham alleged that the railway had suffered during the revolutions from 1911 to 1915.

Negotiations were begun for a revision of the constitution,

[1] *Hearings,* McCormick Committee, p. 394.

[2] Article XIV of the Treaty.

[3] Treaty between the United States and Haiti (Finances, Economic Development and Tranquillity of Haiti). *Treaty Series 623.*

[4] *Foreign Relations, 1916,* pp. 358-59. The Haitians unsuccessfully tried to recover the commission charged by the French banking group in 1910 for somewhat dubious services.

[5] *Ibid.,* pp. 332-33.

[6] *Ibid.,* pp. 334-35. This agreement was formally concluded between Secretary Lansing and the Haitian Minister Menos.

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the contemplated changes including one whereby foreigners would be permitted to own land. But the Senate showed itself recalcitrant and there were rumors that it would seek to impeach President Dartiguenave on the ground that he had betrayed the country to the Americans. As early as February, President Dartiguenave declared that he would dissolve Congress if necessary. To this end he asked assistance from the American Occupation.[1] The Senate was finally dissolved on April 6 by the simple expedient of locking the doors to the Senate building.[2] The Chamber of Deputies had been dissolved as such but was to meet again as a Constituent Assembly to revise the Constitution. A Council of State of twenty-one members appointed by the President was created to prepare bills for the government.

The Senate met in private dwellings and won to its support the majority of the Chamber of Deputies, who met with them as a National Assembly.[3] Admiral Caperton, however, assured President Dartiguenave that he would "support the government of Haiti".[4] Shortly afterwards, Dartiguenave again dissolved the National Assembly and called for the election in January, 1917, of another Constituent Assembly. When this body met, it was presented with a new constitution which had been drafted by Assistant Secretary of the Navy Roosevelt, and which gave foreigners the right to own land. The Assembly, however, refused to ratify it because of the general fear that this would pave the way for economic enslavement. The Haitians also objected to a clause which would ratify the acts of the American Occupation.

The opposition to the constitution as drawn up by the Americans was so strong that on June 18, General E. K. Cole, the commanding officer of the occupation, notified Washington that "unless contrary instructions received, if necessary to prevent passage proposed constitution [i. e., with amendments the Haitians proposed to make] I intend to dissolve National As-

[1] *Hearings,* McCormick Committee, p. 415.

[2] *Ibid.,* p. 418.

[3] *Ibid.,* p. 420.

[4] *Ibid.,* p. 420.

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sembly through President, if possible, otherwise direct."[1] He was informed in the reply that "the department vests you with full discretionary power. Endeavor to accomplish desired end without military force."[2] General Cole let President Dartiguenave know that the time for dissolving the National Assembly had come and succeeded in getting the latter to promise to sign a decree dissolving the Congress. There was some delay, however, in preparing such a decree and on the morning of the 19th, General Cole sent Major Smedly D. Butler, the American head of the Haitian gendarmerie, to get the President's signature. "I had told General Butler," stated General Cole, "that in case the President did not sign the decree, he was to be informed as coming from me, that I would suppress the National Assembly myself and would recommend the establishment of a military government." General Cole added laconically, "The President then signed the decree." The Assembly was in the meantime trying to pass its draft by skipping whole articles. General Cole then ordered Major Butler "to proceed immediately to the National Assembly and deliver the decree."[3] Some Haitians charge that Major Butler gave these directions at the point of the pistol, but he denies this.[4] He admits, however, that the gendarmes twice loaded their rifles and were only dissuaded from shooting by Butler himself.

Irrespective of whether Butler used open force or not, the evidence is irrefutable that military pressure was brought to bear on Dartiguenave to induce him to sign the decree of dissolution and that the Occupation was ready to dissolve the Assembly had he refused. Since then there have been no meetings of the Haitian Congress.

The American Occupation was now left in something of a quandary. Legal ratification of the constitution was desired, but the Haitian National Assembly had been dissolved. Who, then, was there to ratify the constitution? The Occupation and President Dartiguenave then bethought themselves of the

[1] Testimony of General Cole before McCormick Committee, *Hearings*, p. 751.

[2] *Ibid.*, p. 701.

[3] *Ibid.*, p. 702.

[4] *Ibid.*, pp. 536-38.

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people and accordingly submitted the constitution as a whole to a plebiscite. Copies of the constitution were printed for distribution. This enthusiasm for a plebiscite is interesting in view of the more recent claim of the Occupation that the people are so illiterate that democratic elections are impossible. In 1918, however, the people were not considered too illiterate to pass upon the merits of a complicated constitution of approximately twenty pages.

The plebiscite was held on June 12, 1918. In various places, orders were issued by the American Occupation that all citizens must vote. The proclamation at Port-de-Paix declared "any abstention from such a solemn occasion will be considered an unpatriotic act."[1] From all the evidence which I took in Haiti,[2] it seems clear that the polling places were in charge of either the American marines who were officers in the Haitian gendarmerie or members of the marine force itself. Two ballots, white and blue slips, were prepared. The white signified a vote for the constitution while the blue was a negative ballot. Upon entering the polls, the voters were apparently given *white* ballots. Many Americans claim, however, that it was an absolutely fair election since the voter was perfectly free to go to the armed American soldier in charge of the polls and ask for a blue ballot. It is not surprising, therefore, that the results of the plebiscite were announced by the Haitian government as 98,294 for the constitution and only 769 against.[3] Many Haitians, however, are skeptical as to the reality of the 769 negative ballots.

In the meantime, on March 28, 1918, or only a little over ten months after the treaty had formally gone into effect, Foreign Minister Borno and the American Minister Blanchard signed an agreement extending the treaty for an additional ten years, or to 1936.[4] The Nationalists attack the validity of this

[1] Testimony of Rev. L. Ton Evans before the McCormick Committee, *Hearings*, p. 193.

[2] I made many inquiries upon this point.

[3] *Constitution de la République d'Haïti* (1918), p. 1.

[4] See *Treaty Series No. 623–A. Additional Act between the United States and Haiti* (printed 1923), p. 2.

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memorandum on two counts: (1) They allege that this extension is invalid because it was concluded within a year after the inception of the original treaty instead of at its end, as they declare the treaty requires. (2) They argue, further, that since the extension was not ratified by either the Haitian Congress or the American Senate, neither nation can be said officially to have asked for an extension of the treaty.

From the strictly legal point of view the first point does not seem to be well taken. There was perhaps almost indecent haste in concluding the supplementary agreement, but the treaty itself does not explicitly require that the extension be made only at the end of the period.[1] There is much more merit in the second consideration. The extension was not ratified either by the Haitian Congress, in the few weeks before it was finally dissolved, or by the United States Senate. The consent of either would of course be sufficient under the treaty for prolongation of the Occupation to 1936, since the extension can result from the request of one of the two parties. But most Haitians claim that if the consent of the legislative branch of either country was necessary for the original ratification of the treaty, such consent was equally necessary for its prolongation. The Haitian Nationalists therefore claim that the Occupation legally ended on May 6, 1926, while the Americans claim that it will not end until 1936. Both are agreed, however, that if the Occupation is legally to be prolonged beyond 1936, the negotiation of a new treaty will be necessary.

It is of interest to note that in justification for their intervention in Haiti the State Department and the Occupation have advanced two reasons beside the maintenance of order and the restoration of the finances, *viz.*, the alleged attempts by Germany and France to secure control over and occupy Haiti and thus infringe on the Monroe Doctrine. Thus ex-Secretary Lansing in a letter to the McCormick Committee declared that

[1] *Treaty Series No. 623. Treaty between the United States and Haiti,* Article XVI. "The present treaty shall remain in full force and virtue for the term of ten years . . . . and further for another term of ten years, if, for specific reasons presented by either of the high contracting parties, the purpose of this treaty has not been fully accomplished."

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"there was good reason to believe that in the years 1913–14 Germany was ready to go to great lengths to secure the exclusive customs control of Haiti and also to secure a coaling station at Mole St. Nicholas."[1] But whatever may have been the situation in 1913 and the early part of 1914—and the evidence submitted by Secretary Lansing was of the flimsiest[2]—it should not be forgotten that we did not occupy Haiti until a year after the outbreak of the war. The German Navy had from the first been bottled up by the British fleet and by July, 1915, nearly all of the few cruisers previously at large had been swept from the seas. State Department officials sometimes refer mysteriously to the danger of Germany's using Haiti as a submarine base, but no evidence has been produced to show that there was any reality behind this fear.

In Haiti, however, the justification that is frequently offered by Americans is that the French, whose nationals owned the controlling share in the Bank, would have intervened had the United States not done so, and that decisive American action was consequently necessary to prevent the Monroe Doctrine from being violated. To support this contention, they point to the fact that the French cruiser *Descartes* landed men at Cape Haïtien on June 21, 1915, and that a small guard was maintained at the French Legation for some time after the Legation had been violated by the assailants of President Sam. But all this overlooks the fact that the force at Cape Haïtien was quite small, not greatly, if at all, exceeding a company,[3] and that it seems only to have been designed to protect French property from the possible attack of Bobo's army. It was withdrawn in perfect amity when Admiral Caperton reached the Cape a few

[1] Inquiry into Occupation and Administration of Haiti and the Dominican Republic. 67th Congress, 2nd Session, *Senate Report No. 794*, p. 32.

[2] Mr. Secretary Lansing mentioned the activities of German merchants in financing revolutions. Although I believe there were such activities, I know of no evidence that they were anything more than private speculation. The Haitian Government, moreover, repeatedly promised that no foreign power would be allowed to secure possession of Mole St. Nicholas.

[3] I have inspected the building at Cape Haïtien in the patio of which the French sailors were quartered and it is perfectly apparent that the force must have been small.

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days later. Nor was the small guard at the French Legation such as legitimately to offer any suggestion that France was attempting to secure political control over the country. The truth of the matter, of course, is that France was then fighting desperately to defend herself from the attacks of the Germans on the Western Front. It was not a time for France to try to take possession of the politically insignificant Republic of Haiti over four thousand miles away. Until the State Department, therefore, produces far more evidence on these points than has as yet been brought forward, these contentions can hardly be accepted.

It is, moreover, not out of place to point out that the fact that the Great War had been in progress for a year made it easier for the United States to secure control. Had this been attempted prior to the war, Germany[1] and France might well have objected. The great struggle in Europe, however, tended to absorb their full strength and interest so that the United States was able to occupy Haiti in 1915 and Santo Domingo in 1916 without any visible complications with the European powers. Whether such considerations actually weighed with those who determined American policy[2] is at present merely a matter for surmise.

III

The Structure of the Haitian Government

The constitution provided for the election of a Chamber of Deputies of thirty-six and a Senate of fifteen members. Senators and deputies meeting together as a National Assembly were to elect the President. It was stipulated that "the first elections of members of the Legislative Body, after the adoption of this constitution, shall take place on the 10th of January of an even year. The year shall be fixed by the decree of the President of the Republic which shall be issued at least three months before the meeting of the primary assemblies."[3]

[1] Germany in 1914 had asked for participation in the attempt by the United States to secure control over the Haitian customs.

[2] It is still not certain who the persons were who determined American policy nor is it clear to what degree President Wilson knew what was happening.

[3] *Constitution de la République d'Haïti* (1918), Title VII, Article C, pp. 22-

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This clause has been interpreted by the American Occupation and by the President of Haiti to mean that it is only discretionary with the President whether he shall call for such an election. In consequence, no such call for an election has been made and 1920, 1922, 1924 and 1926 have passed without the assembling of a Congress. There has indeed been no session of a Haitian Congress since that which was dissolved ten years ago. In 1926, however, municipal elections were held in most parts of Haiti, although not in the city of Port-au-Prince. The Nationalists charge that this election was prevented at the instance of the American Occupation in order to prevent candidates unfavorable to American control from being elected.

The question naturally arises, therefore, as to what constitutes the government of the "sovereign and independent" state of Haiti. The nominal legislative body which acts in the absence of a Congress is a Council of State of twenty-one members. These men are appointed by the President and hold office not for any stated period of time but only at his pleasure. If he wishes he may in the afternoon replace a member whom he has appointed in the morning. What then does this Council of State do? It elects the President! The somewhat ridiculous spectacle is then presented of a President appointing the very men who are to determine whether or not he shall be re-elected. Under these circumstances it would not seem very difficult for a President to succeed himself if the American Occupation did not oppose him and if he wanted another term. As a matter of fact, Haitian presidents, like those of most other countries, do like to succeed themselves. This is partly because the financial emoluments of the office are extremely attractive. Thus the annual salary of the President is $24,000 with an added allowance of $12,000 for expenses.[1] He is provided with a very beautiful palace, with automobiles, secretaries, and a gen-

23. "Les premières élections des membres du Corps Législatif, après l'adoption de la présente constitution, auront lieu le dix Janvier d'une année paire. L'année sera fixée par décret du Président de la République publié au moins trois mois avant la réunion des Assemblées primaires."

[1] For this and for some of the following items, see *Budget Général de la République d'Haïti de l'exercice 1923-24*, pp. 19-23.

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eral fund of approximately $6000 for which he is not compelled to make an accounting but which is commonly understood to be devoted to subsidizing certain newspapers. In addition, there are not wanting some of the opportunities for monetary gain which Central American and Caribbean presidents have been accustomed to enjoy, although, because of the control exercised by the American Financial Adviser, the amounts which can thus be diverted are beyond question less than they formerly were. The comparative attractiveness of the presidential post is still further enhanced by the great poverty of the citizens of the country as a whole. The average annual income of the Haitians has been calculated by Dr. W. W. Cumberland, the American Financial Adviser, at $20 a head. This figure indicates something of the strong inducement that is furnished the President to avoid private life.

In view of these conditions, the fact that President Dartiguenave was defeated in 1922 by the former Secretary of Foreign Affairs, M. Borno, would seem at first sight to require some explanation. It is an open secret that M. Borno was able to secure from some source large sums of money with which he bribed some of the members of the Council of State to vote for him.[1] The supporters of M. Dartiguenave declared that the election was held in an irregular manner. It should be noted moreover that Dartiguenave had aroused the opposition of the American Occupation by a letter which he addressed to President-elect Harding in January, 1921. In a campaign speech at Marion in August, 1920, Mr. Harding had declared:—

> If I should be elected President. . . . I will not empower an Assistant Secretary of the Navy to draft a constitution for helpless neighbors in the West Indies and jam it down their throats at the points of bayonets borne by United States marines, nor will I misuse the power of the Executive to cover with a veil of secrecy repeated acts of unwarranted interference in the domestic affairs of the little republics of the western hemisphere, such as in the last few years have not only made enemies of

[1] I have talked with a political agent of M. Borno who did not deny that he had used money to secure the election of M. Borno.

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those who should be our friends but have rightfully discredited our country as their trusted neighbor.[1]

Encouraged by this pronouncement, President Dartiguenave asked for the withdrawal of the American marines upon the final organization of the gendarmerie and for the return of effective control over their country to the elected Haitian officials.[2] The policy of the Harding Administration, however, once it came into power, was not altered appreciably from that followed in the Wilson Administration. President Dartiguenave's plea fell on deaf ears. One year later, as stated, he was defeated for re-election by M. Borno.

President Borno in turn came up for re-election in the spring of 1926 and was opposed by several candidates. It so happened that I was in Haiti during part of the campaign and hence had an opportunity to see something of the way in which it was conducted. In February, the government organ *L'Essor* raised the query that if the election were to be purchased, who was in a better position to buy it than M. Borno, who had been President for four years and consequently had been able to accumulate much larger funds than any opponent could possibly have acquired. This statement was reprinted two weeks later by the opposition paper *Le Temps*, edited by Charles Moravia, with added comments attacking the policy of M. Borno. M.

[1] *New York Times,* August 31, 1920, p. 12. For another attack by a leading Republican upon the policy of the Wilson Administration towards Haiti, see Senator Medill McCormick's article on "Our Failure in Haiti," *Nation,* Dec. 1, 1920, pp. 615-16.

[2] For the text of this little-known letter, see *République d'Haïti, Relations Extérieures, Documents Diplomatiques* (1921), pp. 226-29. The most important requests were for: "1. Organisation, dans le plus court delai possible et conformément aux termes de la 'convention' de 1915 . . . d'une force nationale capable de maintenir l'ordre publique. . . . 2. Dès que cette organisation aura été achevée, retrait des troupes d'occupation qui, dans l'intervalle, constitueront une simple mission militaire, chargée, en cas de nécessité, d'assurer la paix, de concert avec la gendarmerie d'Haïti, mais n'ayant aucunes attributions administratives ou judiciaires; par conséquent *suppression sans delai* des cours prévôtales et de toute jurisdiction exceptionnelle pour juger les citoyens Haïtiens. 3. Respect des attributions du gouvernment en ce qui concerne la direction des affaires politiques du pays. . . ."

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Moravia was then thrown into prison at the order of President Borno and was kept there for a month without trial. When the President was asked whether it would not be better to try M. Moravia for libel than to imprison him by executive fiat, he replied that it was necessary to throw Moravia into prison without trial because no court would have convicted him.[1] The opponents of M. Borno charged that he was ineligible for the presidency because of the constitutional provision[2] that the President must "have been born of a Haitian father." It was charged that M. Borno was the son of a foreigner, a native of the French West Indies, who married a Haitian woman but did not become a Haitian citizen until 1874, or nine years after M. Borno's birth. During the campaign facsimile copies were printed of a letter which purported and indeed seems to have been written by M. Borno in 1891 in which he stated these facts himself.[3] M. Moravia charges, indeed, that he was imprisoned to prevent the publication of this letter.

Prior to the election, President Borno replaced several members of the Council with others of whose support he was more certain. He was re-elected in April, receiving all of the twenty-one votes with the exception of one member who did not vote and another who cast a blank ballot. This election was interpreted in an Associated Press dispatch as a proof of the almost unanimous desire of the Haitian people to continue the existing relations with the United States.[4]

[1] In an interview which I had with him on February 24, 1926, when I asked if there was any limit to the length of time that a man could be imprisoned without trial, he replied that there were no legal limits. M. Moravia was later re-imprisoned during the summer of 1926.

[2] Article 73 of the Constitution.

[3] *Supplemént, Le Temps,* April 8, 1926. The essential sentence was "Je suis né, le 20 Septembre 1865, d'une Haïtienne mariée à un étranger." A quotation was also given from *Le Moniteur,* September 18, 1874, announcing the naturalization of M. Borno's father, Robert Borno.

[4] *New York Times,* April 13, 1926.

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AN ETHICS OF POLITICS

MR. LASKI'S restatement of the principles of political science in pragmatic terms is apt to be one of the very few books on contemporary political theory which have a sure future.[1] Despite its great length and despite a tendency to treat subjective wishes and opinions as if they were objective facts, it may well be the most important contribution that has been made to recent political theory. To this distinction it has several claims of a unique order, the chief being that it is the first sustained attempt on the part of the accepted leader of contemporary political pluralism to state an adequate basis for political reconstruction. Its claim may rest also upon the fact that it is the most ambitious survey of the essential problems of politics yet undertaken by any modern writer of English—and this in spite of the confessed omission of the whole bearing of the agrarian problem. Within the scope of a single volume Mr. Laski has managed to get in not only a treatise upon political ethics but a very richly suggestive outline of the political and economic institutions which he holds to be the best means of realizing an ethical world order, as well as of realizing the "new state" that will extend the area of freedom in industrial society.

His incidental criticisms of Communist, Guild Socialist, Syndicalist and "Sydney-Webbicalist" proposals reveal in the new Mr. Laski a brilliant and surprisingly conservative defender of parliamentarism, whose pluralistic theory is notably at outs with his unitary juristic construction. The chapter on "Political Institutions" is a defense of English parliamentary methods with few radical changes. And the final chapter proposes to vest coercive power in the League of Nations, holding it to be in fact already a superstate. If Mr. Laski's theory in Part One still breathes "contingent anarchy" through direct action, his construction of political institutions in Part Two, even without his international superstate (pp. 588–638), vastly extends both the scope and the power of state action, with an obvious reliance upon constitutional morality to make the "new state" workable. The voice may be that of violent Esau, but the hands have become those of reasonable Jacob.

[1] H. J. Laski, *A Grammar of Politics*. New Haven, Yale University Press, 1925, 672 pp. $6.00.

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One may suggest, indeed, that the whole scope of the *Grammar's* Part One is an ethical elaboration of the opening quotation from Lord Acton: "The great question is to discover not what governments prescribe, but what they ought to prescribe; for no prescription is valid against the conscience of mankind." In carrying out this mission, Mr. Laski has written a "Rhetoric" or an "Ethics", rather than *A Grammar of Politics;* or if it be a grammar, its preoccupation is too exclusively with the contrary-to-fact conditional subjunctive, and with the future more (or less) vivid.

The duty of good citizenship, Mr. Laski believes, lies in emulating Athanasius, and with as high moral motivation. "In relation to the modern state each man is, in this department [religion] or elsewhere ultimately, an Athanasius. He will be broken by the world rather than yield to the world. . . . For that experience [of conscience], I I suggest, makes law for him . . ." (p. 247). It is indubitable that where church and state clash, there the state meets its most formidable enemy, often because the state machinery has been captured by partisans in a religious struggle. It is interesting to note that it is precisely where labor rules (Mexico and Russia) that those clashes are most bitter. But in the light of contemporary phenomena of state absolutism such as Bolshevist Russia, and Fascist Italy, to say nothing of the rising wave of Continental dictatorships, it is surely not political realism to insist that individual consciences are so tender on points of moral liberty that men will forego either bread or the comfort of social security in order to challenge each law for its moral validity. They do not pant with a martyr's rage to be broken by the state. They err, if anything, in the other direction of a too great complacency in the face of autocracy. Perhaps every man ought to follow Mr. Laski in his uncompromising discipleship to Athanasius, although conceivably such an attitude defeats its own ends. To suggest that many men do in fact act so is to overstress the active voice in one's political grammar, and to mistake the hortatory subjunctive for the indicative.

Part Two of the present *Grammar* abundantly proves that Mr. Laski thinks there will be small need for Athanasius, once Labor governs according to the grammatical rules laid down.

> The State protects the wholeness of men over and above those parts which express themselves through groups more specific in character. It does not do so by being something over and above them. It co-ordinates with them by associating itself with them, by becoming a means through which they reach a general medium of expression. To that end it seeks to embody the largest induction open to it. It

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> speaks not for some, but for all. It decides, not for a few, but for the whole.

This, surely, has a most Hegelian ring, and brings us to figures of speech.

> In such fashion the State might become a genuine search for social integration. It might cease to be the organ of a few because its will would become instinct with the desires of the many. . . . It could be taken as suffused with good faith in a sense in which the State in our own day is void of such virtue . . . (pp. 281–282).

Such a state, integrative not pluralistic, he believes would command loyalty because it would no longer be what he assumes the present state to be: simply the government actually (and wrongfully) in power. Wipe out economic inequality of the present sort, and then you may build the unifying parliamentary state of Part Two. Although his pluralism would not permit that state to "impose a uniform rule," the actual institutions outlined all assume that Parliament will in fact suggest such a rule with complete confidence of having it enforced. If Mr. Laski supposes that the new state, plethorically institutionalized, will not coerce, he is erecting merely another Utopia.

The real points at issue between pluralism and its critics hinge on the value of constitutional morality, and on the adequacy of the political means now at the disposal of radicalism in states where representative government with constitutional safeguards of free speech and minority rights is a fact. Mr. Laski recognizes the impossibility of both the Syndicalist and the Communist methods of open violence and frank class revolution, because such states could not survive in a preponderantly capitalistic world society and because the application of revolutionary methods provokes "an attempt, which may be a successful attempt, at fascism" (p. 534). Curiously enough this is the only mention of what is perhaps the most portentous contemporary political phenomenon, the word *Fascism* not even finding a place in the index of a political *Grammar* published in 1925.

The handwriting of Fascism is upon the wall, for all that, so far as sabotage by general strikes and direct action is concerned, just as much as it is in the case of frankly Communist revolution. The futility of direct action serves simply to create an excuse for force. The way toward a freer state does not lie in repudiating the constitutional methods at hand, so long as they are observed by the government in power. Political revolutions obtained through parliamentary methods seem on

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the face of evidence such as the breakdown of the General Strike of 1926, to offer more hope to Labor than the policy of direct action and of contingent revolution.

Obviously the *Grammar* under consideration was written primarily for English political usage, with some applications to American variations. It is only by inference and the most occasional reference concerned with the Dominions, and with intra-Imperial relations, although both these fields would have afforded some interesting material for the thesis of "authority as federal." One could hardly ask that political grammar be internationalized to the degree of taking in Oriental usage, but there are certainly relevant grammatical principles, particularly for a pragmatist, in the present European reaction against the impotent state that post-war pluralism produced all over the Continent. Dictatorship is too obvious a political fact to be left out of account, even though it does not give the required pluralistic answer.

It is perhaps worth while to notice in this connection an interesting change of view: Mr. Laski has recognized that he can salvage from M. Duguit's theories only their idealistic conclusions as to functionalism as a doctrine of state responsibility, and that he can find little comfort in the positivistic "public-service" state which legitimizes any kind of law and order that keeps the state functioning with organic perfection. If one deny moral value to the state, however, one must accept the positivist's "fear and force." The uses to which Fascism has put M. Duguit's suggestions as to a state-controlled and regimented "syndicalism" are enough to scandalize any proper pluralist. They take away the right to strike, not only in the public services, but in practice throughout industry.

In omitting all reference to agriculture, Mr. Laski has simply followed the uniform precedent of writers who are preoccupied with "the great industry," and who have the natural bias of the Labor Party. "I have said nothing about agriculture and the land problem. That is because I know nothing directly of either," is the disarmingly frank confession of the Preface. The omission leaves, as he notes, "a great gap." It is a gap which is simply one of several in the Labor Party's effort to treat the varied occupational life of society in terms of the Marxian idea of the proletariat, lumping all social activity together in a single category, and offering for control a single technique.

Perhaps it is the unacknowledged specter of Fascism, evoked by Syndicalist and Communist tactics, which has inclined Mr. Laski to his defense of parliamentarism and to his repudiation of the extreme proposals of the gentlemen from the mines, from the red Clyde, and

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their allies. He rejects vocational along with proportional representation, guild socialism along with advisory parliaments of industry, and the two parliaments, the political and the social, of *Sydney-Webbicalism* (to use Mr. Punch's phrase). Although he recognizes the impossibility of England's survival as a Communist state, given her present commitments to a capitalistic world community of states, he seems hardly to realize that the same tough elements of nationalistic capitalism vitiate any proposals to make the League of Nations a coercive superstate. Yet unless his prophetic assumption that the League can really come to control natural resources, raw materials, tariffs, competition for markets, immigration, and colonial policies—and all the other non-justiciable issues of the present—be taken as a valid presupposition, the possibility of many of his economic reforms falls to the ground unsupported. An England struggling for her imperial and national existence in the present competitive welter of nationalistic finance and marketing—which the League regards helplessly—has demands that are prior to the "national minimum", "fit for decent citizenship", and adequate education. The first necessary fact, which Mr. Laski as the spokesman of the Labor intellectuals does not care (and the Tories do not dare) to deal with, is that England is too tight an island by many millions.

How much his proposals for economic reorganization owe to the Webbs' *Proposed Constitution for the Socialist Commonwealth of Great Britain* appears by simply comparing the relevant portions of the two works. Hardly more than leading indications of the solutions proposed for a complete economic (but a very slight political) reorganization of society can be given in such an attempt as this must be to reduce the nearly seven hundred pages of the *Grammar* to brief statement. First of all, both the political and economic institutions, and particularly the latter, presuppose an intensely active and aggressive democratic citizenship. Mr. Laski is notably at odds with his fellow anti-intellectualist in politics, Mr. Walter Lippmann, as to the possibilities of a public opinion that demands the right to pass moral judgment upon the intrinsic merits of important issues. Mr. Laski has a mystic belief, as befits a labor "intellectual", in the omnicompetence of the "conscience of mankind"—except where it falls foul of the conscience of an Athanasius. His faith accords not at all with Mr. Lippmann's insistence upon the externality of public opinion to the merits of social conflicts or "problems". One may not share Mr. Lippmann's pessimism as to the absence of any consensus of opinion, even within the limits of the national state, on the merits of large

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issues. The public is not such a phantom as he is trying to persuade it to be, nor are representatives or conflicting groups able to settle their difficulties free from its "outside" pressure, as Mr. Lippmann supposes that they are—or ought to be. A general election does elicit at least the information that there is a decided unwillingness to increase the cost of food in England in order that imperial preference may be afforded to the Dominions—let Mr. Baldwin witness. On the other hand, the introduction of Mr. Laski's scheme of voting into the whole process of economic organization, even allowing for the possibility of defining appropriate spheres for determining the limits of community of opinion, would put an additional and an impossible burden upon citizens who already show signs of being hopelessly fuddled by the complexity of the relatively simple choices necessary to political control through party government. Yet Mr. Laski, after a most trenchant criticism of the political unwisdom of the complexities proposed by Mr. G. D. H. Cole in the "Commune", and by the Webbs in their dualism of parliaments, proposes a plethora of economic democracies almost fantastic in their demands upon the voter—with small consideration of the question of whether votes really afford a dynamic of production.

One must note, in the second place, that his entire economic program is based upon a socialization of wealth equal not only to maintaining the minimum subsistence level at present agreed upon by all parties in England and operated through the dole, but upon a further increase of state assistance to create a standard wage capable of furnishing education and "decent" citizenship. It is worth remarking that Mr. Laski lays down his "standards" quite regardless of the conditions of the national economy or of individual effort.

In the third place, his economic proposals look to the nationalization of all vital public services such as railroads, mines, shipping and transport, into which there enters the element of natural monopoly. In other public services of a more localized or less monopolistic character he would depend upon consumers' cooperation. In non-essential industries he would permit private ownership under rigorous regulation. In general his solution may be described as state capitalism, varied by cooperatives and by private enterprise of a narrowly limited character. Theoretically the ground has been laid for this emphasis upon the socialization of wealth by a chapter upon "property" that is a very fine statement of the ethics of the program of British Labor. One may again suggest, however, that the context of economic recovery and the tendency of private capital to take flight from such conditions have not been faced.

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Within all types of industrial activity and economic services labor is to be "professionalized", although it is not to assume complete control. The state, through a complex system of governing boards and administrative commissions, is to have the right to argue with labor (on equal terms) as to output, and as to conditions and hours of labor. Even in the nationalized services there are to be no laws against strikes and no power to enforce settlements; for such laws, Mr. Laski holds, are in fact useless. This is, of course, something of an assumption in face of the success with which most modern states prevent strikes by state functionaries and in face of the undoubted success of the Republic of Germany in extending the area of compulsory arbitration to a wide range of public services without resorting to Fascist methods.

Here as elsewhere, Mr. Laski is curiously *a priori* for a pragmatist. It was heretical enough to attempt a statement of political principles apparently intended for all states to aim at without regard to the concrete limitations in their cultural and economic contexts. But for a pragmatist steadfastly to ignore the evidence with which political experience has furnished the student, even within the range of British and Dominion practice, in favor of solution along lines of abstract principle, is to renounce the most valuable part of pragmatic method.

Little of the evidence at hand tends to support the view that civil liberties are really the better protected for being enshrined in a rigid constitution, and left to the judiciary to defend—unless the rights of property are in question. English regard for personal liberty is notoriously higher without this device than is Irish or American regard for liberty with it. Yet Mr. Laski favors such a rigid constitution with its bill of rights, even for a unitary state like England. The fear that the power of judicial review for the constitutionality of laws may lead to judicial absolutism constrains him to sanction constitutional amendment by two-thirds of his legislative body, which is to be single-chambered, modeled upon a more wieldly and a smaller House of Commons, "magnicompetent" in its powers, and with parliamentary control over the executive.

In the construction of his "New State" Mr. Laski has perforce vested legal omnicompetence in a determinate majority of his legislature, for he has put the constitution itself in the hands of this power. His conception of devolution is certainly not federal, for his central parliament still remains supreme. Indeed his remarks on devolution clearly apply only to such homogeneous countries as the United Kingdom, although they are very good so far as they go. No clear relation of the chapter on "Authority as Federal" to his single-chambered par-

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liament, either from the territorial or from the functional point of view, appears from a study of the powers with which he thinks it necessary to endow that "magnicompetent" body. Federalism, like pluralism, turns out to be a weasel word. The juristic structure of the Laskian state does not offer that essential protection to his federal communities that consists in eliciting their consent to an amendment of their powers and in affording them representation not based purely upon numerical proportions. Federalism appears to mean only a willingness to pit group against state through direct action.

If the United States, on the other hand, were unable in fact, as Mr. Laski supposes it to be (pp. 49 *et seq.*), to change the composition of its Senate by means of amending the amending clause itself in respect to equal state representation, it would be a League of States under a covenant to that degree. Mr. Laski's own construction shows how impossible it is to escape the juristic necessity of vesting final powers in a constitutional majority. The "Fathers" may have thought of Article Five as embodying a contract perpetually binding. But it is longer so conceived by American jurists.[1]

Mr. Laski becomes the pragmatist once more in his discussion of the judicial process. He finds that judges reflect the conservative legal tradition of their social background in their decisions, with the result that radical social legislation gets short shrift. Consequently he looks with mixed favor upon the judicial supremacy required to protect constitutional rights; and he even finds that the prosecution of criminal proceedings under a Public Prosecutor ought to be flexible enough to assume the political responsibility which can take bias into account (pp. 582–586). One of the most interesting applications of Mr. Laski's own experience is his analysis of the conduct of the judge in the famous *O'Dwyer v. Nair* case on which he acted as a juror (pp. 552 *et seq*). In this case damages were at issue against General O'Dwyer for his responsibility for the Amritsar massacre. Perhaps Mr. Laski could have learned something of the value of the Athanasian atti-

[1] See, however, the interesting article supporting Mr. Laski's view as to the unconstitutionality of an amendment which would amend Article V in this respect without the consent of the state or states involved, by W. L. Marbury in *Harvard Law Review*, Vol. 33, No. 2, p. 229. It would, certainly, not require a civil war to change this part of the constitution, as the abolition of slavery did. See also the interesting reply to Mr. Marbury's broad "Limitations on the Amending Power," contained in an article by Mr. W. L. Frierson, "Amending the Constitution of the United States."—*Harvard Law Review*, Vol. 33, No. 5, p. 659.

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tude from his own experience in that case. Unkind critics in England have suggested that by hanging the jury through his insistence upon what the other members thought were unreasonable damages, Mr. Laski himself was mainly responsible for having the damages scaled down to a nominal figure. In any case his description of the trial comes from first-hand acquaintance.

In *A Grammar of Politics*, when all is said, one can not help finding a book written in the great tradition. It belongs to the effort made by a few figures in each generation to reinterpret political phenomena in a way that is true to the prevailing philosophy of the times and prophetic of the direction which political reforms will take. If the constructive part of Mr. Laski's work seems to this reviewer more valuable than the theoretical groundwork, that is no doubt because the latter clashes with a personal bias as a theorist, while the chapter on "Political Institutions" fits personal views. No one, without being completely and dogmatically lost to reason, could fail to acknowledge the stimulus which Mr. Laski has given to contemporary theory. The *Grammar* he has offered us shows a side of political thought to which the old legalistic theory was a complete stranger. The theory of the future will be grateful for the avenues he has opened up. The sovereign nation-state may have more life in it than Mr. Laski thinks; it cannot be a finally satisfactory solution in a world so closely interdependent as ours is becoming.

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KELSEN'S PURE THEORY OF LAW

IN 1925 Professor Kelsen published his *Allgemeine Staatslehre*,[1] summarizing in systematic form the contributions made in a series of earlier monographs on theoretical questions of legal philosophy, together with the results of his experience as an expert adviser to the Austrian Republic, as the author of the Austrian Constitution, and later as a member of the Austrian Constitutional Court (*Verfassungsgerichtshof*). Based on fifteen years of painstaking research and practical work of the highest type, this treatise is the first great system of German *Staatslehre* since Georg Jellinek's work. It is likely to be the standard treatise on the subject for some time. Its rank as a scientific achievement and its importance for the sciences of law and government in Germany are recognized by its reception into the *Enzyklopaedie der Rechts- und Staatswissenschaft.*

It is impossible in a short review to deal with even a small number of the problems expounded by Professor Kelsen. He divides the subject into three parts. The first deals with the nature of the state, going into detailed analysis of the relations of the state to society, morals and law, with sidelights on the parallels between certain legal and theological theories: for example, between the autolimitation of the state and the adoption of human form by the deity, and between the problems of state wrong and theodicy. The second part has the general title "Validity of the Order of State", with the sub-title "Statics", and is devoted to such problems as sovereignty, the relations between state law and international law, centralization and decentralization, self-government, colonies, federations, confederations and unions. The third part deals with the "Dynamics" of government: the different layers of the legal system such as the constitution, statute law, courts, execution of judgments; the separation of powers; the position of state officials, representation, autocracy and democracy, monarchy and republic. The book closes with a chapter on forms of government and philosophy.

For information on any particular part in this wealth of material the book itself must be consulted. I wish to point out here only some of the underlying principles of its legal philosophy that may be less well

[1] Hans Kelsen, *Allgemeine Staatslehre*, vol. 23 of *Enzyklopaedie der Rechts- und Staatswissenschaft.* Berlin, 1925.

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known to the American public because the sources are not easily accessible.

Professor Kelsen's theory of law and government is styled a "Pure Theory of Law" (*Reine Rechtslehre*), with the accent on the word *pure*. It is an attempt to separate the elements of legal theory in a strict sense out of a mass of problems traditionally thrown together under the somewhat vague description of *Staatslehre*. The movement in this direction was started in Germany by Gerber, Laband and Jellinek, the great writers on the public law of the North German Federation and imperial Germany in the period from the sixties to the Great War. The unification of Germany and the emergence of a federal constitutional and administrative law stimulated speculation on the problems of legal theory, and the sight of a magnificent legal structure rising out of the former unsatisfactory state of disunion drew attention particularly to the problems of concrete positive law as against abstract natural law. One might say that the rise of the empire, the spectacle of a new body of law being created, proved fatal to the survival of eighteenth-century speculations on natural law. The hang-over is by no means eliminated even now, but to be found guilty of adherence to natural law theories is a kind of social disgrace. The elimination was not achieved at once and Kelsen's earlier works are directed in their thoroughgoing and keen criticism chiefly against his predecessors in the German science of *Staatslehre*, particularly Jellinek.[1] This constant and vigorous criticism may mislead many to overrate the difference between Kelsen and the earlier writers. But in the preface to his new book, the *Staatslehre*, he stresses the point that he considers himself to be carrying on the tradition of these men and to be doing in a more perfect way what they were able to achieve only in part.

The new starting point of Professor Kelsen in his purification of legal theory is to be found in his training in Neo-Kantian logic. In the *Hauptprobleme der Staatsrechtslehre* he tries to separate the realm of law from the realm of natural existence with the aid of the philosophy of Windelband and Simmel. It is not easy to give an account of the separation of the realms of *Sein* (existence) and *Sollen* (essence) to

[1] Kelsen, *Hauptprobleme der Staatsrechtlehre, entwickelt aus der Lehre vom Rechtssatz* (Tuebingen, 1911; 2nd ed. with a new preface, Tuebingen, 1923); *Das Problem der Souveraenitaet und die Theorie des Voelkerrechts* (Tuebingen, 1920); *Der soziologische und der juristische Staatsbegriff* (Tuebingen, 1922). For the development of the details of the pure theory of law *cf. Zeitschrift fuer oeffentliches Recht* (Vienna, since 1919). A history of the theory is given by Fritz Schreier in his essay, "Die Wiener rechtsphilosophische Schule", in *Logos*, vol. XI, 1923.

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Americans, as the Kantian theory of the *a priori* which is the origin of this division in German logic is regarded in America with justifiable suspicion and the explanations given by German logicians are not overwhelmingly clear. Law, in Kelsen's opinion, belongs to the realm of essence, not of existence. To define this realm he relies on the formulations of Simmel, who maintains that *Sollen* (essence) is an "original category" and that a definition is impossible, just as it is impossible to define Being or Thinking. That is very discouraging. But if not a definition, a roundabout description can at least be given: The realm of *Sollen* is a realm of postulates, not of existences in time and space. These postulates may demand that acts be performed in time and space, but the postulate itself has its being in a different realm. The postulate exists as a postulate regardless of whether it is put forward by any human being, regardless of whether any one hears, reads or knows it. Usually a postulate arises out of concrete historical situations in the realm of existence, and it demands certain future concrete situations in the same realm. Thus its conception is caused by existential being, and, if effective, the conception motivates, is causative for, certain other existential events. But only the *conception* of the postulate by an individual human being is caused or causative in the chain of existence, whereas the ideal meaning of the postulate itself is beyond causality in its realm of *Sollen*. Setting aside all the differences of tradition and the more intimate hues of the concepts, it is permissible to identify the realm of *Sollen* with the realm of essence as it is defined in the English and American epistemology of critical realism.

Positive law is a system of postulates in the realm of *Sollen*. Its elements are the legal rules or norms, and the first task of a pure theory of law is the analysis of the elemental structure. The analytical element of the legal system differs somewhat from the actual contents of statute-books and decisions; the codes are adapted to practical purposes and divided into parts which contain chiefly substantive law, as e. g. the Civil Code or the Law Merchant, and other parts which consist in their bulk of remedial law, as e. g. the Penal Code. The theory of law has to go beyond this surface appearance of legal rules and reduce them to the "pure and simple legal rule". This rule is composed of two parts: the first contains a statement concerning unqualified human behavior, the second makes a statement concerning the coercive behavior (*Zwangsakt*) of the state official. The complete rule is a hypothesis making the coercive behavior of the state official dependent on the previous occurrence of the behaviors and events as

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stated in the first part of the rule. Kelsen adopts for the whole rule the formula:

$$\text{If } M^h + E \text{ (or } M^u + E), \text{ then } Z \rightarrow M.$$

In this formula M means a human behavior, either a performance (M^h) or an avoidance (M^u); E signifies an event, usually produced by the behavior (M); Z is the enforcing behavior of the official, and the arrow directed against M indicates that as a rule the behavior of the official is directed against the same individual that is responsible for the behavior (M^h or M^u).

The center of gravity in the rule clearly rests with the enforcement. Starting from the behavior of an official that is directed in a more or less unpleasant way against some human being, this behavior is conditioned by the occurrence of other behaviors and events. These operative facts for state activity will be those that usually are called "wrongs", and consequently, if Kelsen's formula is supposed to contain the elementary legal concepts, "wrong" is an elementary legal concept but not right or duty. The problem of law is reduced to the governmental enforcing machinery, and other behaviors and events are introduced into the realm of law only as conditions for governmental action.

The simplification of the legal concepts will surprise the American lawyer who is accustomed to a wealth of rights, duties, privileges, powers, liabilities and disabilities, and finds them reduced to events and behaviors of a nondescript color; but the advantages of the reduction from a theoretical point of view are undeniable. The reduction is no attempt to eliminate the various so-called legal relations from existence; on the contrary, their elimination from the realm of essence gives them their status in existence. There may be all kinds of social relations and interests that I should like to have protected, but such wishes are of a subjective nature, changing with the development of society. Some of these interests and wishes may be considered justified by the present code of ethics (e. g., my desire not to have my watch stolen); others are considered wrong by the same code of ethics (e. g., picketing); but, right or wrong, these adjectives are categories of an ethical description, and to enforce the present code of ethics by social action a legal order is erected and maintained. It often happens that for technical reasons the concrete legal rule on the statute-book talks of "rights" and gives a description of the protected status but does not specify the behavior or the events on which the enforcing action of society depends. This form of language, however,

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introducing the ethical purpose into the legal means, should not obscure the issue. Legal concepts in the strict sense are confined to enforcing action and operative facts. Every so-called legal relation of a complicated type may be dissolved easily into these elementary concepts. A right means that after the occurrence of a certain behavior on the part of another person, affecting me, I may request the courts to exact damages from him. A duty means that when I behave in a certain way, the person affected may request the courts to exact damages from me. A privilege means that when I behave in a certain way, no one can sue me for damages (e. g., when I have a license). When a condition of no-right exists, e. g. when I have given another person a license, I may not exact damages from him for behavior permitted by the license. Power means that my behavior is an operative fact in changing another person's legal status (e. g. the case of an offer). Liability means that another person's behavior is an operative fact in changing my legal status (e. g. I have the power to accept the offer). Immunity means that another person's behavior is no operative fact in changing my legal status (e. g. the case of tax exemption). Disability means that my behavior is no operative fact in changing another person's legal status (e. g. I cannot sue and get judgment after the statute of limitations has run). The concepts thus analyzed may be indispensable in the description of social relations, but they are no elementary legal concepts.

As a system of law is part of the realm of essence, its categories are different from those of existence, the most notable difference being that the category of causality has no meaning for law. Between the statement, on one hand, of operative facts in the first part of the pure and simple legal rule, and on the other hand the statement of social action, there is no causal relation. Theft may be the cause of imprisonment, but even when the police do not catch the thief and the expectations of the law-abiding citizen are disappointed, the ideal relation between the operative facts constituting theft and the penalty of imprisonment is not destroyed; even when the thief actually escapes he *ought* to be punished. To distinguish the peculiar ideal relation of the *ought to be* from the causal existential determination, Kelsen introduces the term *imputation* (*Zurechnung*); imputation creates in the realm of essence the connection between operative fact and enforcement parallel with, but independent of, the causal relation between them.

Other peculiar legal categories are those of independence and substance. The category of independence, usually called sovereignty,

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signifies the independence of an internally coherent legal system from any superior set of legal rules. The charter of a corporation is not sovereign because its validity is dependent on the state issuing the charter; a statute is not sovereign because its validity depends on the constitution; only the highest stratum of the legal order that is the origin of validity for all the rest may be called sovereign. Sovereignty of a state means that there is no legal order above the state from which the legal order of the state itself derives its validity.

But at this point the theory of state sovereignty clashes with the problems of international law. As a matter of fact, we have in our present-day international law the process of "recognition" by which a state is accepted as a member of the society of nations and has to obey certain rules of international intercourse. The international legal order rises above the legal orders of the individual states and there is good reason to name this highest order as the truly sovereign one and to consider the states entirely devoid of sovereignty. This is not a mere form of language, for in the case of a national revolution, when new institutions are created in a way not provided by the former constitution, the old and the new legal order are entirely disconnected. The connection created between them by international law is a very substantial one, as usually the most important part of it is the recognition of the foreign debts of the old government by the new government. In case such debts are not at once recognized international pressure is usually brought to bear upon the new government until the "connection" of the otherwise disconnected legal orders is effected. The stratum of international law produces unity in the legal history when otherwise ruptures would have occurred.

The category of substance, usually called state, means the internal coherence of any legal order as a unit. It indicates that every part of it is derived from some superior part up to the highest layer of legal rules in the constitution or in international law. There is actually no difference between the state and the law for all legal purposes. There may be a social reality in the realm of existence that produces the legal order with its unity or substance, but to mix up the problem of existence with the legal problem of state is, to Kelsen, an unpardonable mistake.

It seldom happens that a legal philosopher has a chance to put his theories into practice. Professor Kelsen had the singular opportunity of drafting the Austrian Constitution in accordance with his principles. The result is a legal document that from a technical point of view may fairly be called the best of its kind now in existence. The

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first criterion of the quality has to be the restriction of the content to statements of operative facts for enforcing actions, and, so far as they are embodied in the constitution, statements of the enforcing behaviors. The constitution ought not to contain any matter of purely declaratory character or of merely political importance, e. g., a preamble, or any talk about legislative and executive powers at large that are vested in some person or another. A second criterion would be the completeness of these statements.

The Austrian Constitution lives up to both of these criteria to a remarkable extent. There are, however, several deficiencies due to the political demands of the parties concerned; moreover, there are one or two points of incompleteness due to oversight. In conformity to the principle of restriction in general the language is confined to the one legal concept of *Zustaendigkeit* (jurisdiction), meaning a set of operative facts. The clauses of the Constitution are in the main nothing but definitions of jurisdictions. For instance, "The federal army has to protect the borders of the republic" (art. 79, 1). This clause defines a jurisdiction of the federal army and clearly implies that it is not to be used for any other purposes if they are not expressly stated in the constitution. Jurisdiction is also defined negatively, for example, "The courts have no jurisdiction to question the validity of laws published in the proper way" (89, 1). Again, "To be valid all acts of the president must be signed by the chancellor or the competent ministers" (67, 2).

Beyond such statements the "unnecessary" contents are reduced to a minimum. There is no conventional preamble; yet, for reasons of "political optics," it was impossible to avoid such declarations as "Austria is a democratic republic" (1, 1). This sentence does not define an operative fact, it has no legal consequences, and from a strictly technical point of view, it ought to be eliminated. The statement that "The law of the republic issues from the people" (1, 4) is not only unnecessary but even legally incorrect, for the laws of the republic issue from the National Council; only in the rare cases of initiative and referendum may some legal sense be attributed to the statement. A similar case is presented by the postulate, introducing the section on juries, that "The people must participate in the judicature". Again, not the people, but the jurors, participate; and therefore the whole statement has no legal consequence. Such cases, however, are very few and all of them are are pointed out by Professor Kelsen in his commentary on the constitution as unfortunate inroads of political demands on the domain of science.

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Cases of incompleteness are even fewer; in fact, there is only one, and that is of slight practical importance. Article 138 runs: "The Constitutional Court decides on conflicts of jurisdiction (a) between courts and administrative magistrates, (b) between the Administrative Court and other courts, particularly between the Administrative Court and the Constitutional Court, (c) between the states among themselves, as well as between a state and the federation." This article ignores the possibility of a conflict of competency between the Constitutional Court and the other courts; there is no final decision provided for this case. However, this deficiency may be pointed out as the only one, the better to show the high technical standard of the document. Most other constitutions are full of deficiencies, e. g., article 5 of the United States Constitution requires two-thirds of the votes of both houses for a proposal to amend the constitution and omits to state whether a quorum is sufficient or not; the same article does not specify a time-limit for the ratification by the states and omits to state whether Congress has the right to fix a time-limit or not.

The Austrian Constitution, especially when taken together with Professor Kelsen's commentary,[1] which corrects the deficiencies introduced for political reasons, is the most important event in the modern history of constitutions from the point of view of legal technique. Moreover, with its background of the pure theory of law, it is a remarkable contribution to the development of democracy. In the German tradition of eliminating natural law ideas from the theory of positive law, Kelsen has gone to the radical extreme of separating the problem of legal technique entirely from its social purposes. The interests protected by law can no longer appeal to the sanctity of law to avoid changes in their present status, for law is shown in its quality as an apparatus or a machinery capable of protecting any set of social relations according to the current code of social ethics. Laws are a technical means for the performance of certain social ends. If any one wants to preserve the present legal order he has to defend the equity of his demands against any one who ventures to challenge them. He cannot insist on the status quo by maintaining that legal standards must not be changed and that everybody who desires change is a Bolshevik. This development in European democracy may be of particular interest to Americans, because the "due process of law" clause and the powers of the Supreme Court have effectively blocked the popular demand for legis-

[1] Kelsen, *Die Verfassungsgesetze der Republik Oesterreich*, vol. V, *Die Bundesverfassung* (1922).

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lation on certain important labor problems, and have tenaciously preserved, as regards labor legislation, the survivals from the "natural law" period.

By transferring the legal system into an ideal realm of meanings and reducing it to an instrument Kelsen destroys any undue respect for existing legal institutions. The content of law is shown to be what it is: not an eternal, sacred order, but a compromise of battling social forces—and this content may be changed every day by the chosen representatives of the people according to the wishes of their constituencies without fear of endangering a divine law. The political import of his doctrine explains in part the critical stand that Kelsen takes against certain theories of his predecessors, particularly against the theory of autolimitation. Under the German conditions of constitutional government the autolimitation of the state was interpreted as a limitation of the absolute powers of government, embodied in the monarch, by the controlling power of parliament, the amount of limitation being flexible. Consequently it was a perfectly legal procedure, whenever the control of the parliament became too oppressive to the interests of the monarch, to evade this limitation in some way, e. g., by a dissolution of parliament, and to enjoy a period of absolutism. In a true democracy the legal order is not produced by limiting somebody's unlimited powers, but by defining in the plainest possible way operative facts and jurisdictions of officials. No state entity hides behind the law and issues the legal rules; every rule can be traced to its origin in a definite governmental agency, which again is but a part in the machinery set up for turning out legal rules in accordance with the desires of different social groups. The pure theory of law thus signifies not only an important progress in legal analysis and technique, but also a development from the half-absolutistic philosophy of the German Empire toward the spirit of the new democracy.

ERICH VOEGELIN

VIENNA

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REVIEWS

George Washington, the Image and the Man. By W. E. WOODWARD. New York, Boni and Liveright, 1926.—xxv, 460 pp. $4.00.

By this double title Mr. Woodward appears to postulate a dual view of the Father of his country: an image, a traditional popular vision, a stereotyped Washington, in counter-distinction to THE MAN whom Mr. Woodward has rescued from oblivion and places before the world as a figure hitherto unknown. Perhaps a better figure would be that of the searcher of manuscripts who discovers that the life of the saint which he is reading is a palimpsest, covering up the original biography of an ordinary fallible man, more or less a sinner. The reader is favored with no preface, probably because prefatory matter is scattered all the way through, and partly because the bibliography of twenty-six pages is supposed to be an evidence of the breadth of the author's learning.

The blurb is not so modest. The author shyly permits it to be said of him that, " Quietly but exhaustively he has sought and studied to satisfy his own deep curiosity as to what manner of man Washington really was. There is no bias, no prejudice in Woodward's painting of the sitter, no will to be iconoclastic or to create a new mould of fashion in style (the book is straight reading), no impulse to be a new, bold, bad biographer."

To the reviewer, therefore, is open the discussion of two main issues. The first is whether a false and distorted image of Washington has heretofore been accepted by the American people; the second, whether Woodward has written a calm, scholarly and unbiased life of Washington, embodying materials and data hitherto unknown.

At the start, is it not a myth to believe that there is a myth of Washington? Few men in history have lived so open a life. From his boyhood to his death he was an active man, full of interest in his fellows. He wrote and meditated much. He had hosts of friends and some pertinacious enemies, who would have been pleased to show him up, if they could. He left behind him an immense mass of personal materials, chiefly letters. Scores of people met him and recorded their impression of him. Certainly as many as twenty

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biographies of him have been written, several of them from sources. We have the three semi-official biographies of John Marshall, Washington Irving and Jared Sparks, which, with all their faults of hero worship and uncritical use of materials, undeniably contain the most significant facts of Washington's life, particularly his public life.

The party who has done most to create the impression that the writing of Washington's biography has been a cult is Mason L. Weems, who succeeded in leaving in the minds of Americans the widely diffused impression that Washington was a prig. Combined with this unfortunate slant has been the growing indisposition to believe that any public man is really great, certainly never so grand as General George Washington, President of the United States, appeared to be.

Mr. Woodward seems quite unaware that of late years has arisen a more critical school of biographers, several of them highly trained in colonial and revolutionary lore. Henry Cabot Lodge, Paul Leicester Ford, Archer B. Hulbert, Paul Haworth, Woodrow Wilson, Charles Moore, these are not the names of image-makers. The approaching bicentenary of Washington's birth is already calling into existence a swarm of books intended to bring into clearer light the positive, active, constructive, business, engineer mind of Washington, equally important with his military and administrative life. Diluted moonshine is the bold blurb boast that in Woodward's book, "the reader is bound to feel the real George Washington at last, freed of the glamorous fiction with which romantic historians have invested him." Various earlier writers have known more than Woodward about Washington and his time; and future writers will still find points of view that did not occur to Woodward.

More than a third of the volume is devoted to the period before the Revolution. It is true that Woodward's book, more than that of any predecessor except Hulbert, has described the background of Washington's early life. He has also taken pains to provide a western background. He is much less convincing in his attempt to set forth the Virginia background, which had such a powerful influence over the life and fortunes of young Washington.

The account of the Revolution and of Washington's part in it does little to clear up any of the problems of that period. Whatever else Woodward may or may not be, he is clearly no authority on military affairs, though he gives Washington credit (as others have done before him) for standing up to his work.

When it comes to command, General W. E. Woodward would have won the war by, "A Continental army consisting for the major

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part, of small commands of fifty or sixty mounted men, which would have been very effective, in all probability. These detachments, trained as highly mobile mounted infantry, would have worn the British army to rags and hysteria in the course of a year or two. Ordinarily, they could have acted as independent units, but at times it would have been desirable to combine them into a larger force. As a nucleus of organization a central headquarters army of two or three thousand men would have been sufficient" (p. 298). "Washington's conception of an army was a stiff and clumsy conception. The army he had in mind and tried to make was not an army which was suited to the colonial character, nor was it suitable for the work it had to do. He missed his great opportunity, which was to form an army on a new model" (p. 299).

That this bold and conclusive suggestion was not adopted seems to be an indictment not only of George Washington, but of every other general officer in the Continental army; and likewise of the British generals who by this device could have got rid of those pertinacious gadflies, the American troops. It is so simple! No commissariat, no transportation, none of that heavy clumsy artillery, no finance, apparently no general command, just the simple strategy of "up lads, and at them." On the other hand, it is not a discovery of Woodward's that Washington's strategy at Long Island and at New York was unfortunate. At least—in this respect superior to his biographer—he learned something by experience: he never was caught that way again.

If Woodward has not been able to snapshot the general, he has been no more successful in discovering THE MAN. Some passages in the book are played up in the blurb and elsewhere as showing that Woodward has a high opinion of Washington, and believes that his book reveals an actual Washington, a man of great distinction. Such is not the general effect of the book. It has not been a difficult task to make up a list of at least seventy passages which indicate a low opinion of Washington and many of them are distinctly derogatory. Let Woodward in some of these extracts speak for himself.

"He walked in pride all his life. His touchiness was a hard self-assertion" (p. 17). "The fantastic system of spelling that bedeviled him to the end of his days" (p. 23). "The slobbery mass of flubdub in which he has been submerged so long that it has hardened around him and can be chiseled off in chunks" (p. 26). "In the presence of women he would lose his simple forthright manner and turn himself into a pompous and mouthy sentimentalist—or else

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remain spellbound and silent" (p. 38). "She [Sally Fairfax] had left our hero in a state of despair. There is an air of impending deliquescence in his utterance" (p. 40). "Washington's principal impulse seems to have been one of vanity. He was vain and his vanity was a creative force" (p. 54). "Washington swam in this air of obeisance as a fish swims in the sea. It was his element; he liked it. He liked to be haughty and reserved; haughty and courteous. Supercilious and courteous at the same time" (p. 85). "His mood was black and sour; he was irritable and disgusted" (p. 91). "Washington's land transactions and his love for lottery and card games were all sublimated expressions of his will to power" (p. 396). "In the chair of authority sits the impressive Washington—grey inside, but majestic outside. Boredom flickers in his eyes. He is grave, serious and bored" (p. 418). "At first impression his political character appears utterly nebulous. His writings are a vast Milky Way of hazy thoughts" (p. 429). "He seems to have been principally a figure-head, a symbol. He was almost as impersonal at the top of the government as a statue on top of a monument would have been" (p. 447). "By the end of 1795 Washington was near the end of his second term, and his administration was on the rocks. It had lost prestige everywhere and the country was waiting for it to end, as one might wait for a person to die" (p. 450). "The Farewell Address was not written by Washington, but by Hamilton, at Washington's suggestion" (p. 452). "He was vain, fond of adulation and power and greatly disturbed by criticism, but he was —so I think—a little ashamed of his vanity" (p. 454). "His spiritual life was dim. He thought in material terms. The inner significance of people and events was beyond his range" (p. 455).

How Mr. Woodward and his admirers can insist, in the face of these unfavorable comments on Washington's abilities and character (the number of which might be much extended), that he looks on Washington as a great man and that his book reveals a Washington hitherto concealed by an Image is beyond the understanding of the reviewer.

Woodward's main difficulty is that he started out to find trouble, to uncover a putative MAN; and he would be untrue to his vocation if he did not seek for undesirable sides of Washington's character. Thank God Washington was not a negative character. He could make his mistakes and correct them. Like that Connecticut worthy —was it Davenport?—"He had a temper like a dog with a chain. He could let out his dog and he could call in his dog."

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All this palaver about small things, this attempt to make out Washington as a gloomy and unsuccessful young man, a vain and unskillful head of the nation, and a disappointed and disillusioned old man in retirement, is bosh. The testimony of his contemporaries, the judgment of his British adversaries, the calm judgment of many dispassionate biographers, above all his own works, his letters, his state papers, his Farewell Address (not written by Hamilton, though that statesman made useful suggestions), the admiration of foreigners, the vast affection of his countrymen, these affirm the *real man,* who cannot be dispossessed of his great name by a book which (with some good points), is infused with a purpose of depreciation, not atoned for by any significant contribution to our knowledge of George Washington.

ALBERT BUSHNELL HART

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George Washington. The Human Being and the Hero, 1732-1762. By RUPERT HUGHES. New York, William Morrow and Company, 1926.—ix, 580 pp. $4.00.

"No other man in history," Mr. Hughes declares of George Washington, "has suffered so much from malfeasance in office by historians." If Mr. Hughes were a clergyman, like some of his predecessors, this statement might be regarded as the text of his sermon. He has apparently just discovered that the American people, including himself, have been fooled by certain earnest, but intellectually dishonest writers, such as the Reverend Mason L. Weems, and the Reverend Jared Sparks, and he feels an urge to set the public right. The editor Sparks, in deleting an oath from one of Washington's outbursts, "not only cheated the reader," but, in the chaste and elegant phraseology of Mr. Hughes, "ripped the guts from the living man." Thus does the novelist, all in one volume, put earlier biographers in the pillory, read a moral lesson to historians — as though they were responsible for Weems—and put Washington in his proper place. No one would expect that these three things should all be done equally well.

It is unfortunate that Mr. Hughes could not eliminate his contempt for the tribe of Weems and Sparks in some way without obtruding it on the readers of this book. Feeling always the impulse to undo the harm wrought by these clerical purveyors of misinformation, he cannot devote his whole effort to his main subject. He is

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in the position of an artist, called upon to paint a picture of Washington, not on a fresh canvas, but on one already covered with caricatures left by unskilled dabblers. He spends so much time in correcting their distortions that his own picture is blurred.

In spite of this handicap, the novelist-historian has given to the world a better description of Washington's early years than can be found anywhere else, so good that his critics must regret the numerous lapses from the high standard set by the author himself. It is no small feat to devote nearly five hundred pages of text to the environment and life of Washington before 1762. Mr. Hughes has done this, and has brought out for public perusal a surprising amount of information hitherto buried in Washington's writings.

In his rôle of historian Mr. Hughes has presented a graphic account of Washington's early military career, described largely in the young officer's own words. These statements show that he was inexperienced, not especially competent, and after the manner of youth, very opinionated. Mr. Hughes lets him enlarge upon his none too creditable dealings with the French before 1755, and his comparatively insignificant part in the Braddock campaign. Similarly, Colonel Washington describes his own state of mind with reference to the second expedition against Fort Duquesne in 1758, showing himself as a censorious, narrow, self-interested critic of his commanding officer. Had this documentary record been laid before the Continental Congress in 1775, it is more than probable that the Revolutionary army would have had someone else as commander-in-chief.

On the personal, as distinguished from the public and military, side of Washington's early life, the volume makes some real contributions. One chapter in particular, entitled "The Daily Round," is a delightful description of the combination planter, sportsman, and social lion, who made Mt. Vernon famous. Then, too, in these days of non-alcoholic virtue, it is pleasant to read of Washington's account for election-day refreshments, and his anxious hope that everybody had enough.

Washington's own statements concerning this part of his life are highly illuminating, and it is hard to see how any fair-minded reader could find fault with them. Unfortunately not so much can be said of Mr. Hughes's contributions. To some readers the author's manner will seem not only exasperating but offensive. In various places he shows a poorly restrained tendency to supercilious jeering, sometimes at the "First Families of Virginia" (p. 2), sometimes

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at the Church of England clergymen—of the one who christened Washington, he says that we cannot even be sure he was sober on that occasion (p. 19) — and often at Washington himself. On one occasion Washington was "only an overgrown lout of a young surveyor" (p. 55), and a little later an "unlettered cub" (p. 94); in between, he was "a gentleman, a cavalier, and aristocrat" (p. 82). Washington's slips in grammar and spelling,—"darling errors" Hughes calls them—afford infinite amusement to the author, as though his own ability to spell correctly gave him a great superiority over Washington.

A liberal share of space, more liberal than the facts warrant, is devoted to Washington's love affairs. Some of these, perhaps all of them, were interesting and important, but the actual evidence concerning them is too slight for extensive treatment. Mr. Hughes, the historian, could have treated these in five pages; Mr. Hughes, the novelist, uses—and wastes—five chapters. It is worth knowing that Washington proposed to, and was rejected by, numerous girls before Mrs. Custis accepted him, but one becomes tired of having it reiterated *ad nauseam*. Proposals and rejections are not an unusual experience in youth—except perhaps in the case of Mr. Hughes. He seems to feel that they were a unique misfortune for Washington, and a huge joke for posterity.

One of these love affairs, with Sally Fairfax as the heroine, Mr. Hughes, the novelist, selected as the grand dénouement of his story. Leading up to it by repeated hints of something scandalous, he finally declares (p. 185) of George Washington and Mrs. Fairfax: "In any case they dwelt together, in close communion. . . . So Sally and George were on terms of intimacy. And what intimacy meant in some of those country houses on festive occasions can hardly be imagined now." This, without proof, is mere latrine gossip, and the proof is not given. Mrs. Fairfax did have some shirts made for Mr. Washington, but it will take the imagination of a true novelist to extract any romance from these shirts. It is not until page 405, well along toward the end of the book, that there appears any evidence of a love affair between these two, and then it must be admitted that Washington put himself in an unfortunate light. After he had become engaged to Mrs. Custis, he wrote to Sally Fairfax, declaring in thinly veiled language that he loved her. The letter is a surprising contrast to one written to his fiancée two months before. But even this is a long way from the scandalous intimacy which Mr. Hughes would like to have his readers accept as a fact.

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Sometime, when Mr. Hughes has succeeded in disentangling himself from his anti-Weems complex, and from his novelist's love of romance, he will be able to write a highly satisfactory biography of Washington. That he has not done so yet is proved by the adverse criticism showered upon this volume by people as far apart in intellectual outlook as the Sons of the Revolution and at least one of the best known historians in the country: Professor Albert Bushnell Hart.

RALPH VOLNEY HARLOW

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Ignatius Loyola, the Founder of the Jesuits. By PAUL VAN DYKE. New York and London, Charles Scribner's Sons, 1926.—vi, 381 pp. $3.50.

In this book Professor Paul Van Dyke endeavors to present the figure of Ignatius Loyola impartially, and yet sympathetically. The attempt of Protestant writers to do this is not, however, as novel as might be inferred. Not only have we had the recent work of Henry Dwight Sedgwick of much the same length and scope, which was published in 1924, but as long ago as 1907 Principal Thomas M. Lindsay of the United Free Church College, Glasgow, included an appreciative chapter on "Ignatius Loyola and the Company of Jesus" in his *History of the Reformation* (vol. II, pp. 525-563). Perhaps the chief distinctive feature of Professor Van Dyke's method of presentation is his telling the story of Loyola as far as possible in the language of the original sources. For example, Loyola's autobiography or *Confessions* is largely incorporated in direct translation. Another feature of Professor Van Dyke's book is the comparison made between Loyola's religious experience or teaching and that of such Protestant leaders as Jonathan Edwards or John Wesley.

Professor Van Dyke opens his book with a chapter called "The Task" in which he gives the reader an idea of the materials employed and the difficulties encountered. He then in the following chapters traces Ignatius's early career, the formation of the Company of Jesus, its mode of government and chief lines of activity. The Spiritual Exercises are discussed only toward the close of the volume in chapter xviii. Then follow chapters on Loyola's view of the universe—particularly his very real sense of the presence of a personal devil—and Loyola as a mystic, the supernatural in his life and legend, and, finally, a summary of his character and an account of his death. The volume is more scholarly in its method of pre-

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sentation than Sedgwick's more popular book. At the bottom of every page are brief references to the passages in the source material on which the statements in the text are based. Some longer notes are collected at the close of the volume, where is also a list of books cited and a full index.

Professor Van Dyke is not given to overstatement for the sake of vividness, and possibly is sometimes inclined to be a little too charitable in his interpretations. For example, where Preserved Smith in *The Age of the Reformation* (pp. 398-399) says of Loyola's younger days, "Not that this prevented him from addressing less disinterested attentions to other ladies, for, if something of a Don Quixote, he was also something of a Don Juan," Professor Van Dyke remarks more mildly, "Ignatius . . . was, like the other young men of his day of noble birth, given to gaming, fighting and women, proud of his orthodoxy but not particularly interested in living like a Christian" (p. 17). Professor Van Dyke does not admit the desire to win fame as a saint as a motive in Loyola's conversion and assures us that Loyola's wound did not incapacitate him for a further military career. On the other hand, he does not conceal the fact that Loyola sometimes displayed a quite human irritation. "Once when he was discussing something of importance with Lainez and the latter insisted a little too much on his opinion, Ignatius broke in, 'All right, take the Company and govern it yourself,' in such a tone that poor Lainez did not say another word" (p. 348). Something of the acerbity of the typical retired colonel seems to have characterized Loyola's declining years.

Professor Van Dyke has shown excellent judgment in the passages which he has selected for quotation to bring out the character and spirit of the Company of Jesus, as well as of Loyola himself. Interesting is his statement on page 339 that, "Ignatius had no confidence in any life of the Company which did not go by rule." While the life of Ignatius and his companions was for the most part on a very high plane of serious endeavor, which makes more edifying than amusing reading, some diverting passages will be found in the book before us, such as the account on pages 340-341 of the discipline imposed upon the four lay coadjutors who threw water at each other in the kitchen. The fact is also brought out that the Jesuits were as opposed to popular amusements as the Puritans. Incidentally, throughout the volume light is cast upon the life of the times.

Occasionally Professor Van Dyke departs from the path he has laid down of impartial historical presentation to utter moral

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apothegms, and then we do not always follow him. Nor do we think that Mr. Capablanca would agree with this assertion, "that usually he goes farthest who does not try to see the way too far ahead" (p. 132). And while it may be true that "when the brethren took the vow of Montmartre 'it never entered their head to found a religious order,'" nevertheless, it would seem that, from the moment Loyola began to try out his Spiritual Exercises on everyone he judged suitable and whom he could persuade, it was inevitable that things should work out much as they did. The book is attractively printed, and I have noted practically no misprints, but at page 268 the meaning of the following words is not apparent to me: "The Exercises contain nearly five hundred words in a form peculiar to itself, or at least very unusual." In general, however, Professor Van Dyke's style is simple and clear. His book is as interesting and attractive as any treatment of Loyola in English, and may be regarded as the most reliable presentation now available in our language.

LYNN THORNDIKE

The American Revolution Considered as a Social Movement. By J. FRANKLIN JAMESON. Princeton University Press, 1926.—157 pp. $1.50.

When one considers the immense number of volumes dealing with the American Revolution, it may well seem that here is a field little in need of future cultivation. The historiography of the period begins with the Revolutionary generation itself—with Gordon and Ramsay and John Marshall, and their more scholarly British contemporary, George Chalmers. The next two generations gave us their version in the narratives of Bancroft and Frothingham, with the biographical studies of Sparks and his contemporaries. The tradition fixed by these writers was, with some qualifications, popularized a little later in John Fiske's studies of the Revolution and its colonial background. It was in the main this view of their earlier history which Americans had in mind during the last quarter of the nineteenth century as they celebrated the series of centennial anniversaries from 1776 to 1789. This American historiography, like that of contemporary Europe, was strongly nationalist; it was not only largely occupied with war and politics, but it was content with comparatively simple explanations of political phenomena.

Before Bancroft brought out his last volume, the older tradition was already threatened. The chapters on the Revolution in Winsor's

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Narrative and Critical History of America pointed the way both to a fresh examination of the older sources and to important bodies of unworked material. Since that time, the work of revision has gone steadily on. Osgood, Beer, and Andrews through their studies of colonial administration and British policy gave us a more adequate imperial setting. The issues of the Revolution came to seem less simple than they had appeared to older scholars. There were studies of particular geographic areas and particular social groups, differentiating their special points of view—of loyalism in general and loyalism in particular localities; of the sources of discontent in particular provinces or sections; of planters, merchants, and lawyers. Studies like those of Turner and Beard made it more difficult, even for the historians of politics, to ignore the economic factors affecting political action. Finally, an increasing number of students have been interesting themselves in the social history of the time, not merely as a key to the understanding of politics, but as something of value in itself. It is this point of view, in the main, which finds expression in Dr. Jameson's volume.

After some consideration of the factors determining the political attitude of particular social groups on the eve of the Revolution, the author outlines briefly the developments which resulted from, or accompanied, the victory of the revolutionary party: the progress made toward religious liberty and the separation of the church from the state; the changes in land-ownership resulting from the disappearance of the quit-rent system, the confiscation of loyalist estates, and the legislation against entails; the growth of anti-slavery sentiment; the effect of the war and its aftermath on commerce, manufactures, and banking; the significance of the period for education and culture.

In this little volume of lectures a comprehensive treatment of such themes as those here indicated will not of course be expected. The work was, however, distinctly worth doing. To the layman, who will be attracted by its readable style, it gives an excellent summary of what has been achieved toward an understanding of the social aspects of the Revolution. To the special student and investigator it offers a series of stimulating generalizations and suggests lines of inquiry which should bear fruit in future studies.

EVARTS B. GREENE

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The Civil War and Readjustment in Kentucky. By ELLIS MERTON COULTER. Chapel Hill, The University of North Carolina Press, 1926.—viii, 468 pp. $3.60.

This is another in the long series of books dealing with the Civil War and Reconstruction period in the various states of the South. In fact a number have been written concerning conditions in several northern states as well during that epoch. The majority were produced at Columbia by students of Professor Dunning and under his direction. Indeed one of his students, Miss Mary Scrugham, worked in the Kentucky field, but concentrated her attention upon affairs in that state during the years 1860-1861. In her study (*The Peaceable Americans of 1860-1861.* Longmans, Green & Co., 1921) Miss Scrugham showed that upon the threatened outbreak of hostilities between the North and South, the overwhelming majority of Kentuckians were inclined toward peace and that Kentucky statesmen made frantic efforts to find some compromise whereby the sectional differences might again be composed and the disaster of civil strife averted. As all the world knows, however, the peaceable efforts of her statesmen went for nothing against the angry passions of belligerent, self-righteous and self-seeking politicians who were determined that the decision of the issue dividing the two sections should be made by that insane but ancient expedient euphemistically designated "the appeal to arms." And willy-nilly Kentucky was drawn into the conflict.

But on which side? As Dr. Coulter shows, it was no easy matter for Kentucky to decide. Feeling as she did that the war was unnecessary, she could never whole-heartedly make up her mind. Drawn to the side of the South by personal and social ties, by a flourishing commerce with the Gulf States, and most important of all by fear for the safety of the institution of slavery which existed in a vigorous form in her more fertile agricultural counties, she nevertheless could not bring herself to secede and cast in her lot with the Southern Confederacy. The reasons for this unwillingness are not far to seek. In the first place, Kentucky had a large population of small farmers, particularly in the East, who had no economic interest in slavery. Secondly, Louisville, which next to Cincinnati was the greatest commercial city on the Ohio, and depended for its prosperity more on trade with the North than with the South, was extremely hostile to the idea of secession. Thirdly, Dr. Coulter is probably right in contending that on account of historical considera-

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tions there was more love for the Union as an idea in Kentucky than almost anywhere else in the country. Finally, and perhaps of more importance than any other reason, sober-minded Kentuckians wished above all things to avoid having their state become the battle-ground in a war which they had not wished, and for which they in no way held themselves responsible. And such an eventuality was bound to occur in case she should become the frontier state of the Confederacy in the West.

But still Kentucky hesitated. Diplomacy, not to say chicanery, was employed by the administration at Washington to keep her loyal. When called upon to furnish her quota of troops to suppress the rebellion, the Governor flatly refused and his refusal won for him the plaudits of his constituents. He then issued a proclamation of neutrality which was concurred in by both houses of the state legislature. From the point of view of strict political theory these two acts were as much a declaration of state sovereignty as nullification of a national law or even secession would have been. And yet President Lincoln seemed to agree to both. Moreover, he and Congress asserted that the sole object of the war was to preserve the Union and promised Kentucky as well as the other loyal border slave states that their pet institution would in no way be interfered with. Reassured by this promise, and finding a state of neutrality permanently untenable, Kentucky finally officially cast in her lot with the Union. The Confederates were expelled where they had ventured into the state and all important strategic positions were occupied by Federal troops. Meanwhile many young bloods, aggregating some 30,000, and representing the best Kentucky families, had quietly stolen away and joined the Confederate armies. Although they were denounced as rebels and traitors and officially expatriated and deprived of all civil rights, in her heart of hearts, Kentucky felt that these rebellious sons had chosen the better part, and were the real representatives of the honor and manhood of the state.

This feeling was strengthened by the course of events. No sooner was the state captured for the Union cause than every promise made to it by the Lincoln government began to be violated. First came confiscation acts, then the preliminary emancipation proclamation and the proclamation itself, suspension of the writ of habeas corpus, arbitrary arrests and imprisonments, control of the state by a military despotism that made the people feel that their state was treated as a province conquered by the Federal government rather than as a loyal member of it, the enlistment first of free negroes and soon of slaves

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to shoot down "our brothers of the South", and at the last and as a climax to every other act, the Thirteenth Amendment freeing the slaves in loyal as well as in rebellious states. Such things as these appeared to Kentuckians as the fruits of Lincoln's "border-state" policy—a policy which has been held up by admiring biographers and historians as the apotheosis of Lincoln's greatness as a statesman. And it may be so. In the age-old struggle for human liberty, it may well be that the goodness of the end justifies the badness of the means. The end and the means seemed bad alike to Lincoln's Kentucky contemporaries of 1861-1865, and instead of admiring the greatness of his statesmanship, many a one must have asked himself the question: "How really *honest* is 'honest old Abe'"?

That some such question was uppermost in their minds and that their real sentiment was the one alluded to above regarding Kentucky's feeling toward her Confederates, is attested by the fact that at the first session of the legislature following the cessation of hostilities every act of disability imposed upon her rebellious sons during the war was repealed, and at the next election, the state government was placed in the hands of ex-Confederates by the largest relative majority ever obtained by any party in the political annals of the state.

The foregoing inadequate summary of the leading theme in Dr. Coulter's book fails to do justice to his stirring and thought-provoking narrative. No other history has come to my attention in recent months that so skillfully unravels the threads of personal, political and economic relationships. It is eminently worth while.

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La Monnaie en Europe Centrale. By ELEMÉR HANTOS. Paris, Marcel Giard, 1927.—259 pp. 40 fr.

La Monnaie en Europe Centrale, written by a former Secretary of State and financial expert of Hungary, is a striking contribution towards the understanding and solution of the problems of post-war European finances. It is the best book on the subject which has yet come to the reviewer's attention. Lucid and dispassionate in style, masterful in the simple presentation of complex facts, it opens up fields of information which language difficulties have hitherto largely barred to American students. Although the work was originally

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printed in German, the French translation has brought the account down to July, 1926, and has been so extensively revised as to make a substantially new book.

M. Hantos paints in necessarily bleak colors the post-war financial and monetary history of the seven Central European countries, six of which are in greater or lesser part the successor states of the old Austro-Hungarian empire: Austria, Czechoslovakia, Germany, Hungary, Poland, Rumania, and Yugoslavia. These countries came out of the war with disordered currencies, largely in consequence of governmental inflation for military purposes, but the depreciation at the end of 1918 was moderate, almost negligible, in comparison with that which developed after the war. The post-war inflations differed from those during the war not only in their sources but in their effects. They are unique in history. They brought famine to large sections of the population, inaugurated a period of grave social disturbances, and produced a complete collapse of the public and private economic organization.

Depreciations of such severe character seem at first to have stimulated production at large and to have helped it, but the benefit was of short duration, and accrued only to fortunate individuals. It lasted only as long as costs of production, especially wages, lagged behind prices. In considerable part, too, it was based on the use—or rather, the abuse—of bank credit: interest rates could not keep up with the depreciation, and the borrower always gained, but only at the expense of the general national welfare. In the field of distribution, on the other hand, the effects were unqualifiedly bad. The social and economic edifice was disrupted. The large capitalists generally succeeded in protecting most of their wealth, and the laboring classes, by the application of political pressure, substantially maintained their standards of living; but the middle classes, taken as a whole, was virtually wiped out.

After presenting these general considerations, M. Hantos turns to a description of the phenomena of inflation and eventual stabilization in each of the Central European countries separately. In the period since 1914, he finds three principal divisions. In the first, running to 1922-1923, the purchasing power of the various currencies was always lower within the country than abroad—the internal price depreciation exceeded the exchange depreciation. In the second period it was higher at home than abroad; and in the third period, of stabilization, it was equal. These changes are accounted for by the changing degrees of relative confidence at home and abroad in the national

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currency; and also, in the second period, by the physical inability of the printing presses to keep up with the collapsing exchanges. The rise in prices and the exchanges, incidentally, was never exactly in proportion to the increase in the volume of paper money, partly because of variations in the velocity of circulation, partly because of the increased practise of making payments in cash. In the later periods the depreciation far exceeded the relative increase in the note circulation, while in the earlier periods it lagged behind.

The vicious spiral of inflation was finally broken in each country in 1922-1923, but the methods adopted usually differed. In Czechoslovakia, where the depreciation was not severe, a forceful policy of attempted budget control and deflation made the country the banker of Central Europe—not because its currency was stable, but because the others were falling, or threatened to fall, so much more rapidly. The resulting "favorable" balance of international payments stopped the collapse of the exchanges, and made stabilization possible. In Austria and Hungary it was the assistance of the League of Nations, and the resulting foreign loans. In Poland, after various failures, it was the adoption of a new currency and the reorganization of the Bank on lines preventing excessive government note issue and borrowing. In Yugoslavia it was the ultimate success of a painful policy of deflating the extant currency. In Rumania there was no true governmental inflation, but rather an inflation resulting from the state of the balance of real (non-speculative) payments—and therefore capable of eventual correction. In Germany, finally, where the most severe depreciation existed, none of these methods was successful. According to M. Hantos, it was not the establishment of the Rentenbank that really stopped the inflation. It was simply the fact that the mark had almost entirely lost its purchasing power. The country had rid itself of the mark by adopting the dollar as a money of account, and had thus effectually blockaded the inflationist policy of the government: the old mark currency had ceased to have any really significant part in the national economic life.

The details of these various cases, too elaborate to go into here, are well worth studying. The general conclusion to which they lead is that to secure a general stabilization, the first step must always be the establishment of the currency on a sound basis—which also means that a fixed point of support must be chosen, such as gold or a stable foreign currency; and that the government must be deprived of any extended power to inflate or borrow. In practice this involves setting up a virtually independent bank of issue. Then comes the

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restoration of budget equilibrium; and finally the stabilization of private economic life.

Finally, after discussing various problems of general monetary policy, M. Hantos sketches in that plan of currency reform in Central Europe for which he is already well known. His thesis is that the territory of the Succession States is far too restricted and lacking in economic self-sufficiency, their economic organization is too incomplete and too new to enable them to maintain for long the stability of a régime of currencies that are independent of one another. Customs unions and similar devices can be of little use. What is required is a *monetary* union of these states, accompanied if possible by a working agreement between their central banks. M. Hantos in no sense contemplates a single common bank of issue: each state is to retain its financial independence. But the states are to issue a single common currency, full legal tender in each, and thus in effect place their vast combined resources (ninety millions of people, a million and a quarter square kilometers of territory) behind the new money. Its stability and strength would thus be assured; commerce between the states would be facilitated, while foreign exchange premiums among them would in great part disappear; and the essential pre-war interdependence of economic relationships would be largely restored. General control of the conduct of the various central banks and of the issue of notes would be vested in some common independent authority, eventually perhaps an agent of the Bank of England. Such a measure would guarantee wise and impartial management, and a complete divorce of the new currency from the political pressure of financially embarrassed governments.

It is impossible for one not thoroughly familiar with the finances of Central Europe to comment adequately on this ambitious project. It contains certain obvious difficulties, especially with respect to securing its adoption by states where nationalism and the jealous guarding of all the forms of sovereignty are still so important in the popular eye. But in its essentials it seems sound. Its adoption will help to lower the present hampering economic barriers between the countries involved; it assures the freedom of the currency from sinister political control; and it recognizes the essential interdependence of all the currencies in the commercial world. Taken as a whole, the plan is an admirable climax to an admirable book.

JAMES W. ANGELL

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Die Rheinpolitik Kaiser Napoleons III von 1863 bis 1870 und der Ursprung des Krieges von 1870-1871. By HERMANN ONCKEN. Stuttgart, Berlin, Leipzig, Deutsche Verlags-Anstalt, 1926.—3 volumes, 382, 591, 550 pp. $17.50.

While the stream of revelations concerning the origins of the World War continues to flow unabated, historians in the field of recent European history should not overlook this collection of documents published by Professor Hermann Oncken. Insofar as the crisis of 1914 may be said to have been the outcome of the age-long feud between France and Germany the conflict of 1870 assumes first-rate importance, because the defeat of France and the subsequent hegemony of Germany made the traditional rivalry between the two countries more acute than it had ever been before. In the last fifteen or twenty years a large number of documents and studies have been published dealing with the eventful years preceding the final clash, but most of the recent contributions have treated the German rather than the French side. The policy of the third Napoleon has remained in many respects very obscure, certainly more so than the plans of Bismarck, and therefore the collection of materials made by Professor Oncken should be all the more welcome. It may, in fact, be said without exaggeration that the nine hundred odd documents he has brought together are absolutely essential for an understanding of the French policy and that they form an indispensable commentary to the *Origines de la Guerre* published during the last years under the auspices of the French government. Professor Oncken has literally plundered the archives of Berlin and Vienna, to say nothing of the archives of several of the German middle states in search of material bearing upon the policy of Napoleon III in the stirring period of Germany's unification. He has found some papers of prime importance and many others which aid materially in supplementing our previous knowledge, or in elucidating points which have hitherto been incomprehensible. He has more than proved his assertion that it is futile to seek for the key to the Emperor's actions in the official papers of the Quai d'Orsay, and he has shown conclusively that Napoleon kept important matters from his ministers not only at certain critical moments but continuously in the period from 1863 to 1870, and even after the institution of the responsible ministry. In the conversations which the Emperor had with the various German envoys he was not always so discreet. Indeed he was frequently so outspoken

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that Professor Oncken has succeeded in finding these hundreds of papers all tending to show that the secret of the French policy lay in the Emperor's irrepressible desire to acquire the Rhine frontier or at least some territory on the left bank. So overwhelming does the evidence on this point appear to the compiler that he ventures the assertion that the material he has submitted "will probably lead to the definitive solution of the problem of the origins of the war of 1870."

It may be questioned whether the evidence adduced in these three volumes is quite as conclusive as all that, but it cannot be denied that Professor Oncken has brought together enough incriminating documents to enable him to make out a strong case against the Emperor. After perusing the various reports and official records one can hardly escape the conviction that Napoleon's ambitions in regard to the Rhine became almost an obsession. Looked at from this point of view the intricate manoeuvres of the French diplomacy become more comprehensible and what appeared to be a wild jockeying for position, an almost insensate wobbling between Austria and Prussia (especially in 1866), a hopeless confusion of apparently disjointed issues, now stands out as a well-concerted plan, inefficiently executed perhaps, but none the less carefully thought out and persistently adhered to.

To be sure, a selection of material such as that made by Professor Oncken is always apt to result in over-emphasis of one aspect. From these documents it is clear that Bismarck's suspicions and fears were distinctly justified, that he had a very good reason for playing a hard and fast game. The flood of light which is here thrown upon the involved Franco-Austro-Italian negotiations of 1868-1870, for example, proves convincingly that Prussia was seriously, very seriously menaced and that it was merely a problem as to which side should strike first. And yet it would be erroneous to argue that the Iron Chancellor was playing a purely defensive game. Professor Oncken argues that the Bismarckian policy aimed solely at the unification of Germany while Napoleon was intent upon conquest. But it should be remembered that for Bismarck the unification of Germany meant primarily the aggrandizement of Prussia, and that for some of the middle states it was hardly more than a question of the frying-pan or the fire. Bismarck's success depended upon his ability to put France in the wrong and to make her appear in the rôle of the aggressor. The French plans may have been immoral

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but there is no knowing whether they would have matured or led to a crisis without Bismarck's helping hand.

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Europe and the East. By NORMAN DWIGHT HARRIS. Boston and New York, Houghton Mifflin Company, 1926.—xiv, 677 pp. $5.00.

Readers of Professor Harris's *Intervention and Colonization in Africa* (1914), have looked forward to the appearance of this work on European relations with Asia. It follows the plan of the earlier volume but, as the author remarks in the preface, it departs from his first plan for a study of the period 1850-1910 in order to include the particularly significant narrative of development since the Great War.

The present book deals with its subject in three parts: the Near East, the Middle East and the Far East, giving one-sixth of the space to the first topic, one-third to the second and one-half to the last. The author begins the story of the Near East with the fall of the Ottoman Empire, then analyzes what he aptly terms the "legacy" and concludes with an account of its partition among the powers and their handling of it as mandates. Professor Harris maintains that the powers were entirely unprepared to deal with the legacy placed at their disposal by the World War, that they were not concerning themselves particularly with the problems it entailed (pp. 43-44). The principal blunder growing out of their near-sighted policy was the failure to settle "questions concerning concessions and financial problems," to find "common ground" for the "adjustment of these differences or for the regulation of commercial competition in the future" (p. 124). Professor Harris has faith in the "New Turkey"; he regards the omens for its success as auspicious, but he sees serious obstacles in its way. It seemed to the reviewer that he pays insufficient attention to the side of the Syrian people in his treatment of the French mandatory régime.

Dealing with the Middle East, the author gives a chapter to Russian penetration of Asia, another to the "Persian muddle", a third to Tibet and the remainder to the consideration of India. He states four valid reasons for Russia's success in central Asia (p. 130), but omits a fifth of undoubted importance—the ethnic relationship between Russians and Asiatics. In several connections Professor

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Harris, by failing to cite authorities gives the impression of a strong anti-Soviet bias. On page 165 he uses the word "Alliance" in the title officially translated as the "Union" of Socialist Soviet Republics. He fails to note in this connection that on November 14, 1922, the Far Eastern Republic was dissolved and its powers transferred to Moscow. Of the Anglo-Russian partition treaty of 1907, this is written: "it was a great step in the direction of international conciliation and co-operation, being based on the principles of fair play, equal rights, and free competition" (p. 186). How is it possible to write this and to place on the next page the admission that: "It was made without reference to the interests or welfare of Persia, and every article of it deals with the interests of the contracting parties, without a word being said concerning the rights of Persia"? The point is that the sphere-of-interest policy has been proved to be the *destroyer* of "equal rights and free competition" and that the mandate principle is on trial as a substitute.

The first two chapters on India furnish an excellent analysis of the several types of political entities in that country, and of its recent progress in self-government. Lord Morley receives the larger share of the credit for the Morley-Minto reforms of 1909, which are clearly differentiated in purpose from those provided for in the Government of India Act of 1919. "Just how far this 'Indianization' will go in the near future is a matter of conjecture, although it seems probable that, whenever India becomes self-governing . . . the Indian Government will require British aid and agency" (p. 264). One would have liked fuller consideration of the working of the reform scheme so clearly and justly analyzed and evaluated. The "Pax Britannica" receives another tribute in the author's discussion of the "Defense of India". The sordid and bloody tale of "civilization's" way with the tribes along the borders of India is told with no apparent recognition of the suffering it has involved for the weak peoples thus taught the ways of a higher culture. The references to sources which are noticeably lacking in certain chapters serve to give one special confidence in those that deal with India.

In dealing with Tibet, Professor Harris chooses to ignore the map of China, preferring to deal with Tibet as a separate community, though he acknowledges later (p. 542) that "politically speaking" Tibet is part of China. While it is true that the Chinese control of Tibet has never been well-defined, it is also true that the whole governmental structure of imperial China was loosely bound together and that the concept of suzerainty — the relationship sustained toward

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Tibet—though ill-developed, was real. There is no point in asserting that: "The Tibetans . . . never considered their country as an integral part of the Chinese realm" (p. 327), since it could be said equally truly of the Chinese. Both peoples have been content with the suzerain connection, which was useful until Western conceptions of territorial sovereignty intervened to justify the contention that political authority must be complete or run the risk of repudiation. As Professor Harris recognizes (p. 334), the Chinese government sought then "to reverse its earlier policy and to substitute for its lenient suzerainty a strong sovereign control over Tibet. But this was something that neither the Dalai Lama nor the British authorities were prepared to admit as being within the bounds of the Chinese rights." He does not, however, attack the question contained in this difference of opinion.

In the third portion of this comprehensive and interesting work the concern is with the Far East—Indo-China, Siam, China, Japan and Pacific Oceanica. Apparently Manchuria and Mongolia are counted parts of China, though the treatment of Japan and the Korean problem is run in between the chapters on China proper and those regions. Of Indo-China the author feels that "it can hardly be said that this colonial experiment is an unqualified success; and the future of Indo-China is shrouded in uncertainty. . . . They [the French] have, indeed, constructed a colony by building from the top downward . . . have failed to grasp the merits of the Annamite civilization and make wise use of it" (p. 372). Very slight consideration is given to Siam. The chapters on China, on the whole reliable, exhibit some errors of fact and some neglect of recently published material. No reference is made to Mr. Tyler Dennett's revelation of President Roosevelt's agreement with Japan respecting Korea, the Philippines and the peace of the Far East. The Provisional Constitution did not make the president responsible to the assembly (p. 434). It was the "Old Parliament" which on October 10, 1923, produced the so-called "Permanent Constitution", not a "new chamber" as the statement reads on p. 450. There is also confusion in dates on that page. On p. 466 Shensi is mistaken for Shansi. Japan is sketched rather than painted. The reviewer caught one misstatement on p. 492. From 1919-1925 the suffrage qualification for parliamentary electors was not ten *yen* but three. Coming to the "outlying provinces", Professor Harris confuses the reader with his second sentence, in which he refers to the "intimate relationship of these provinces to the Chinese state" (p. 542). Naturally the

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parts of a state have a more or less intimate relation to each other but they may hardly be said to sustain any relationship to the state itself. A few sentences further on one is led to believe that Chang Tso-lin is not to be counted among the "Chinese authorities." However, the discussion of the status of the Mongols threads its way admirably through a tangled jungle and emerges with some excellent suggestions for reorganization.

The concluding chapter, "The New Pacific," takes note of the possible development of a conflict between "Anglo-Saxon" interests and Asiatic interests joined to those of Russia. The author regards the Four Power Treaty of 1921 as a real "safety-valve" but takes no account of the possibilities for better feeling latent in the organization of the League of Nations. Governor Harrison's administration in the Philippines, run by "the Nationalist Party, led by Quezon, Osmena and Company" (p. 610), is severely criticized. And the conclusion is expressed that: "it is not yet evident which of the two systems—the conservative one employed in the Dutch East Indies or the liberal one used in the Philippine Archipelago with its rapid evolution of representative government—is the wiser one or the one best suited to the peoples and to the conditions of life and thought and belief in the South Seas" (p. 614).

A selected bibliography is provided as an appendix in which source and secondary materials are listed to accompany each chapter. The table of contents and index are helpfully adequate. The several maps are excellent. The reviewer has ventured to point out what are minor discrepancies in matters of fact and to suggest inconsistencies in the author's attitude toward problems of world politics which are fundamentally alike in principle. He is himself farthest from any desire to give the impression that the book he has been privileged to review is other than one of first importance. Not only has Professor Harris accomplished a very necessary work with the most conscientious effort to digest the immense field of knowledge covered, but he has succeeded in writing a book no page of which expresses weariness with the task and which is, consequently, consistently interesting throughout. Teachers of contemporary history and politics will find *Europe and the East* admirably suited to their needs.

HAROLD S. QUIGLEY

UNIVERSITY OF MINNESOTA

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Iron and Steel in the Industrial Revolution. By T. S. ASHTON. The Manchester University Press, 1924.—252 pp.

The English Brass and Copper Industries to 1800. By H. HAMILTON. London, Longmans, Green and Company, Ltd., 1926.—367 pp. $6.00.

The tendency of students of economic problems has been towards an attempt to gather reliable data and ascertain the fundamental facts in their respective fields. The movement is in part a reaction against the broad generalizations of earlier economists and an attempt to test the validity of earlier theories wherever possible by concrete scientific data. This form of approach has led to a great increase in the number of research and statistical bureaus, which collect, examine, and interpret statistical data of contemporary economic events. Specialization or the division of labor in economics is proceeding at a rapid rate, but the form it is taking is more in the division of the field to be covered rather than in the methods used. There are fewer so-called "pure theorists" among the younger economists. The tendency is for the economist to study a problem statistically and then to interpret the data in the light of economic theory. The same development seems to be taking place in the study of economic history and has had a stimulating effect upon the general interest in the subject. The important bearing of economic history upon contemporary economic problems is being more keenly realized. The separation of the theorist from the economic historian is losing its significance. The theorists are beginning to make economic history part of their field and the result is usually a clear presentation of economic history accompanied by a critical analysis of the economic theory involved. Two of the outstanding results of this method in economic history in the last few years are *Iron and Steel in the Industrial Revolution* by Professor T. S. Ashton of the University of Manchester and *The English Brass and Copper Industries to 1800* by Dr. H. Hamilton of the University of Aberdeen.

The former is an authoritative and original investigation of the production of iron and steel, not touching upon the manufacture of these materials into tools and machinery, covering the period between 1700 and 1815. Professor Ashton makes original contributions to many industrial problems covering this period. He shows that it was Abraham Darby the first and not, as has often been

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supposed, Abraham Darby the second, who introduced coke smelting of iron, although its general use on a large scale did not come until many years later. "The new coke smelting process led to a transformation of what had previously been relatively small-scale production into those forms of great industry, which, for want of a better phrase, are generically termed the 'Factory System'" (p. 40). This had existed in the metal trades to some extent even in the seventeenth century as Dr. Hamilton's book clearly shows. "But the new processes of iron making were to turn what had been exceptional and sporadic manifestations into a dominating tendency of industry" (p. 40). The development of the industry during these years is covered very carefully by virtue of the fact that the author uses as a basis the surviving records of the large business undertakings in the iron and steel industry, such as those of the Horsehay Co. Ltd., Shropshire, Messrs. Huntsman Ltd., Sheffield, Messrs. Newton, Chambers & Co., Ltd., Chapeltown, the Coalbrookdale Co. Ltd., Shropshire, as well as the Bolton and Watt collection, and the usual sources of information which are available. The source of his original data undoubtedly has some effect upon the point of view of the book. As the author states in the preface, "A generation ago writers on modern economic history found their principal quarry in blue-books, Parliamentary Journals, and other Government records. Hence arose not only an over-estimate of the part played by the State in economic development, but also, perhaps, an unduly gloomy view of former industrial society; for it is the Pathology, rather than the Physiology, of social life that forms the subject of commissions of enquiry, of Home Office Reports, and of parliamentary debates. Within the last few years a small group of scholars has attempted to rewrite the economic history of the eighteenth and early nineteenth centuries, using as a basis the surviving records of business undertakings." This book is one of the very successful results of this method. This same group of scholars has found that in several industries, as Mr. Ashton finds in the iron industry, no essential transformation was accomplished during the period of the industrial revolution. "The scale of operations has increased enormously, but in structure and organization there was no fundamental change. From the earliest period of which we have exact information, iron making in this country has been conducted on capitalistic lines—capitalistic not only in that the workers are dependent upon the employers for their material and market but also in that they are brought together in 'Works', are paid wages and perform their

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duties under conditions not dissimilar to those of almost any large industry of modern times" (p. 1).

An important chapter is devoted to Watt, Boulton, and the Wilkinsons, giving an excellent picture of John Wilkinson, with much new information as to their relationship based upon the Letter Books of the Soho Works for the years between 1775 and 1800. Mr. Ashton agrees with Professor Daniels and with other students of this period that "many of the more catastrophic processes associated with the industrial changes of the 18th century were the result, not of economic, but of political forces" and quotes approvingly from Professor Daniel's work on the English cotton industry that "the social retrogression and evils which marked the industrial revolution period are only in a very secondary sense to be attributed to the economic movement: the primary cause is to be found in the war in which the country was engaged." "Heavy taxation, shortage of foodstuffs, the drying up of the channels of international trade produced, during the war periods, poverty and unemployment; and the restraints on individual liberty—justified by politicians on grounds of national security—led to disturbance of social relations and an increasingly sharp cleavage of economic classes" (p. 128).

One of the most interesting chapters of the book is the one on the combinations of capitalists. In this chapter the author shows by actual concrete cases from the iron and steel industry that the combination movement in its modern form goes back at least to the 17th century. "By many writers the combination movement has been treated as a new-born product of the late nineteenth century, and the unrestricted competition of some of the early economists has been translated by those of a later generation from the sphere of hypothesis to the supposed realm of facts. Nothing could be more false. The combination of the iron-masters was by no means unique. That the cotton and pottery industries had developed corporate institutions is implied in the account given above of the Chamber of British Manufacturers. In the copper industry two great groups, representing the Anglesey Company and the Cornish Metal Company, divided the English market, and came to terms as to the price to be charged for their product" (p. 184).

This combination between the Anglesey Company and the Cornish Metal Company referred to by Professor Ashton is developed very fully with all its antecedents and results in *The English Brass and Copper Industries to 1800* by Dr. Henry Hamilton of the University of Aberdeen. This book adds considerably to our knowledge of

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the period and raises many important questions relating to financial and industrial combinations in industry, both vertical and horizontal, as well as the early development of the factory system and the joint-stock method of financing industry—throwing additional light upon these broad and general questions by presenting detailed and concrete information for the copper and brass industries.

"The main new sources of material have been the German Account Books of the Mines Royal Company, which have been transcribed and translated by Mr. W. G. Collingwood." This is the only reference to a German source in the entire book. In the extensive bibiliography at the end of the book, which covers about ten pages, not a single additional German source is mentioned. In view of the German origin of the industry, it is undoubtedly true that a survey of the German literature would throw additional light on the general subject of the brass and copper industries, both in England and in Germany.

The introduction of the copper and brass industries in Great Britain was brought about by the Monopoly Grant for the mining of copper in the case of the Mines Royal Company and the manufacture of brass in the case of the Mineral & Battery Works. In May, 1568, charters of incorporation were received for these companies, which were the first joint stock companies in England whose business was exclusively home manufacture. Although these companies were separate organizations, the close connection between the two industries brought about a mutual understanding and ultimately led to a complete merger. This is a very early case of interlocking directorates and is the natural result of the economic interdependence of the two industries. A recent example of this same interdependence of the industries in this country is the purchase of the American Brass Company, the largest manufactory of brass in the United States, by the Anaconda Copper Mining Company, one of the largest producers of copper.

The most important single contribution of the book is the evidence of a combination movement in the copper and brass industries in the eighteenth century very similar to the modern combination movement. The author traces the copper and brass industry from a simple type of state monopoly in the sixteenth century through competition to highly developed combinations in the eighteenth century. He also shows that for mining and smelting of copper and the manufacture of brass, "a factory system and the joint stock method of financing industry were introduced from the first begin-

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nings of the new movement under Elizabeth. Throughout the whole period of our investigation the existence of large companies with considerable amounts of capital has been manifest; and thus, at least for the brass and copper industries, the term 'industrial revolution of the eighteenth century' loses much of its force" (p. 330).

This conclusion for the copper and brass industries is similar to that of various scholars in recent years for other industries, especially the metal industries. Professor Ashley was one of the first scholars in this field to call attention to the limited significance of the so-called "industrial revolution of the eighteenth century in England." Various economists, some of them Professor Ashley's own students, have since made further progress in demonstrating, especially for the various metal industries, that the term "industrial revolution of the eighteenth century" does not have the same importance that it was at one time thought to have had. Apparently, Professor Ashley feels that this reaction has gone too far. In a short introduction, reminiscent of the publication of Arnold Toynbee's *Lectures on the Industrial Revolution* from the lecture notes of two of his students (Professor Ashley and Mr. Bolton King), he closes with a word of caution as to the readjustment of emphasis. If by "Revolution" is meant "simply a large evident transformation, wrought in a relatively short time, the period he [Toynbee] dealt with must still be characterized as a period of 'Industrial Revolution' par excellence."

Such monographs on special industries, as the two covered in this review, will help to reveal the industrial development of the eighteenth as well as the earlier centuries and will supply the basic data for a well reasoned interpretation of the attendant changes of the period and the ensuing effects in later years.

H. T. WARSHOW

NEW YORK CITY

The Economic Development of Russia 1905-1914. By MARGARET S. MILLER. London, P. S. King and Son, 1926.—xviii, 311 pp. 12*s.* 6*d.*

To the already large and useful output of monographs contained in the "Studies" published by the London School of Economics and Political Science may now be added a highly welcome study of Russian economic development during the fateful generation brought to a close by the World War. Miss Miller's book is a solid, non-impressionistic contribution to the West's meagre knowledge of the

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strange setting upon which Bolshevism erected itself with such seeming ease in 1917.

"The story of Russia," observes Baron Meyendorff in his introductory note to the volume under review, "is a story of continuity." No revolutionary upheaval can ever more than penetrate the crust of a nation's life. That is why a calm, thorough analysis of the Tsarist state is so necessary to a proper understanding of events since 1917. Tsarist Russia, according to Miss Miller, was another of those tragic examples where the social well-being of millions was sacrificed in the carrying out of the nationalistic policy of a well-intentioned but unenlightened governing clique. In almost every sphere of economic life—trade, industry, finance, and transportation—the state acted "as an organizing and creative factor" with certain definite ends in view. It forced Russia into the world market and strove above all else to maintain a favorable balance of trade, even though such a policy could not help limiting social consumption, keeping agricultural machinery from the peasantry, and raising the cost of living for the masses. It introduced the gold standard perhaps before Russia was economically ready for such a major monetary operation. It pursued a policy of indirect taxation which made the Russian peasant the most heavily taxed in Europe in relation to his ability to pay. It deliberately sought to speed up the development of large-scale industry in order that Russia—vain illusion!—might be nationally "self-sufficient." And possibly most ostentatiously of all it tried to guarantee to foreign capital security with which to undertake what was probably the most daring material achievement of the Romanoff régime, namely, the construction of the Trans-Siberian Railway. Russia built more railways from 1890 to 1917 than any European country, although in proportion to area its mileage of steel rails was still pitifully small when the war came. Sugar, cotton and metallurgical production was markedly stimulated by a program of governmental regulation and operation, but the cost to the nation was higher prices in the home market than if such goods had been purchased entirely from abroad.

The technique, moreover, which the Tsarist administrator could set to these almost superhuman tasks proved woefully backward and inadequate. "The Government," as Miss Miller lucidly points out (p. 299), "was twentieth century in its economic aspirations: but these aspirations had to be grafted on to a political structure which approximated more nearly to the sixteenth century, and to a people at an equally backward stage of development." By and large, the

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manual workers remained predominantly peasant in outlook, while even Count Witte could not enlist the technical experts indispensable to the rapid "Europeanization" of the vast geographical expanse and heterogeneous human crucible which was and still is Russia. Had the old ruling oligarchy been not merely spasmodically, but consistently enlightened, had it not identified national with its own class interests, political progress, even though piece-meal, toward a workable representative régime through the Duma might have prevented the ominous emergence of extremist radicalism. But those who governed would not even permit the right to strike, and trade unions were not legalized until 1906. What strikes did break out were nothing more than futile political demonstrations. In the end, such an economic nationalism, officially nurtured as it was, had its appropriate culmination in international war; and the latter, in turn, let loose the savage dogs of internal social conflict.

This is the drama that shapes itself in the reader's mind as he peruses the mass of data which Miss Miller, in the light of years of patient research, has so effectively interpreted in her book. That she has drawn as much from Russian as from foreign materials is revealed not only in the body of the study, but by the extensive bibliography listed at its close — unfortunately, however, without critical annotations by the author. To each of the five topical divisions of the book, dealing in order with background, trade, finance, communication, and industry, is appended a number of statistical tabulations useful alike to the general historian and to the sociologist.

On grounds of lack of symmetry, the hypercritical reviewer might advert to the author's failure to treat agriculture and the co-operative movement, even to her slighting of the whole labor angle of the situation. It is to be hoped further researches by one so admirably equipped to analyze these problems will remedy this defect. As it is, the value of the present study is enough to make it probably the most serviceable single volume in English to all who would fully comprehend the economic order out of which the Russia of to-day has somehow evolved.

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Issues of European Statesmanship. By B. G. DE MONTGOMERY. New York, Henry Holt and Company, 1926.—ix, 367 pp. $3.50.

The author of this book appears to accept as unquestionable the widely prevalent belief that at least in Europe since the World War the existing social order has been passing through a crisis of unparalleled severity and that as yet the outcome remains doubtful. He attempts to describe the peril and to point out how safety may be reached. For him the biggest dangers apparently are socialism, chauvinism, and materialism. His way of escape is by the application of a sound social philosophy whose general character he indicates in somewhat casual and discursive fashion. The essence of his doctrine is that salvation lies in a minimum of state interference in the affairs of individuals and for international matters in a league of nations less disposed than the present League to encroach on the power of the states which compose it.

The first hundred pages are devoted to the theory of the state and its functioning in internal affairs. The argument is directed chiefly against socialism, but various forms of state interference for which the author has a dislike are not allowed to escape his condemnation. Prohibition and unemployment doles are among his special aversions. There may be found in this discussion a considerable amount of shrewd analysis and some interesting suggestions which might well have been more fully developed, but it may be doubted whether readers who did not previously share the author's opinions will be convinced by his reasoning. Among its shortcomings are a too ready acceptance of data and of sweeping generalizations which fit into the structure of his argument, an apparently implicit belief that "the economic laws of society" operate with the same certainty as the laws of the physical world, and an assumption that serious disturbance of the social equilibrium is everywhere and always an evil.

Over half of the book deals with international affairs. Here nearly all of the discussion centers around the League of Nations, especially its relation to the component states, the efforts to bring about the inclusion of Germany, and the three principal attempts to find a satisfactory solution for the problem of how the League may most effectively prevent the outbreak of war. The Covenant, according to the author, especially in article 16, impairs the sovereignty of the members of the League. On that ground he advocates that whenever occasion arises for applying economic and military sanctions to a state which has started a war of aggression each member of the

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League be permitted to decide for itself whether it will join in the common action. For the same reason he rejoices that the Draft Treaty of Mutual Assistance and the Geneva Protocol were not adopted. Both of them, he argues, would have impaired the sovereignty of the member states and would have led to wars rather than prevented them. The Locarno treaties, on the other hand, call forth his enthusiastic approval. His book, completed last July or August, includes an earnest plea for the completion of those agreements through the admittance of Germany into the League of Nations, an event which has since taken place.

The final chapter concerns "Materialism versus Christianity". It is a plea that the public must be educated to understand "that materialism, pure and simple, as preached by Marx, Lassalle, and Lenin, can form the basis of no beneficial community, but is bound to ruin morality and, in the long run, the whole of our civilization" and that "civilization without Christianity would be fatal to the human race, since it would release the powers of evil armed with all the knowledge of our age." Five appendices give the texts of the Covenant of the League of Nations, the Draft Treaty of Mutual Assistance, the Geneva Protocol, the German memorandum of February 9, 1925, which led up to Locarno, and the Locarno treaties. The book, as a whole, despite some meritorious features, falls between two stools. It is too slight and in places too journalistic to be a substantial contribution upon any of the many topics with which it deals. On the other hand, it is too abstract and theoretical to make a wide popular appeal.

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The State as Party Litigant. By ROBERT DORSEY WATKINS. Baltimore, Johns Hopkins Press, 1927.—xvii, 212 pp. $2.00.

This is a competently done and timely volume. Its particular contribution is the comparison which it draws between Anglo-American and French ideas regarding the responsibility of the state for acts of its agents, other than legislative acts, when they produce private detriment. The comparison is, as it deserves to be, all to the advantage of French ideas.

At the outset of the Third Republic recognition of state responsibility for acts of administrative officials was obstructed by two distinctions: first, that between so-called "acts of authority", for which

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state responsibility was denied, and acts of administration for which it was acknowledged; and secondly, that between *faute de service* for which responsibility was conceded and *faute personnelle* for which the agent himself was alone responsible. As Dr. Watkins shows, the former distinction is today non-existent in the administrative field; while the latter distinction too has almost disappeared in consequence of the sensible doctrine that *faute personnelle* of the agent usually implies *faute de service* also. It results that today a private person suffering in consequence of the excessive zeal or negligence of an official has ordinarily a choice between two remedies—that against the official, which must be prosecuted in the law courts, and that against the state, which must be prosecuted before the Council of State.

But even this is not the whole story, for today the strong tendency, as Dr. Watkins shows, is to dismiss altogether the notion of fault as a basis of state liability for the broader ground of social insurance against the inevitable risks of state action. Thus he writes: "Whether the loss has been caused by the personal fault of the agent or has been without fault, or has resulted from a perfectly legal administrative action, if its result has been to place a more than proportionate share of the burden of administration on one or a few, those injured may sue and recover from a solvent state" (p. 167). And again: "The idea is insurance against the social risk; the equalizing of burdens among those who profit by the services giving rise to the burdens" (p. 203). Nor is the source of this humane jurisprudence obscure. It springs from the intelligent responsiveness of the Council of State to the enlightened criticism of such jurists as Jèze, Hauriou, Fliniaux (see p. 162), and others, writing in light of the concept of the state as a moral person.

To be sure, the Anglo-American idea of the Rule of Law, depicted so glamorously in Professor Dicey's pages, for instance, also invokes the notion of the state as a "moral" person. But it is a hollow sort of morality, after all, which begins and ends in the solecism that "the state can do no wrong." It follows, of course, that if a wrong is done by a representative of the state, the representative alone is responsible, a recourse which is usually valueless. "In the great arrogance of great ignorance", Dr. Watkins quotes approvingly, "our popular orators and writers have impressed upon the public mind the belief that in this republic of ours private rights receive unequalled protection from the government . . . [The fact is] that the legal redress given to the citizen of the United States

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against the United States is less than he can have against almost any government in Christendom" (p. 96). These are not the words of a Bolshevist, or even of a college professor—they are the words of a judge of the Court of Claims. It hardly needs to be added that they apply no less to our state governments than to the National Government.

Some criticisms must be added. I am not sure but that Dr. Watkins exaggerates a bit in the extent to which he represents *faute personnelle* of the official as an independent source of *faute de service* and so of state responsibility. Most of his cases do not necessarily show more than that the Council of State will be alert to discover *faute de service* where *faute personnelle* is present. So, too, he perhaps exaggerates the extent to which the principle of liability without fault has received the recognition of the Council of State. What he represents as accomplished fact is still, perhaps, only a very strong tendency. (See chs. x and xii *passim*).

Also, in his endeavor to discredit the traditional sources of state immunity, he commits one positive, and rather elementary, error. '"What has pleased the prince has the force of law"', he writes, ". . . seems the most absolute of autocratic theories. But read in connection with its context . . . it has no such meaning. The reason that what pleases the king has the force of law is not that it is the arbitrary will of the king, but because by the *lex regia* which was passed concerning his rule, the people confided to him and conferred on him all *his* [my italics] dominion and power." But the second "his" here is a mistranslation of "suum", which refers back to "people". The reason why the prince's pleasure has the force of law is because he is invested with all the dominion and power of the Roman people. [See p. 3, *cf.* Insts. I, Tit. ii, paragraph 6 (Holland Ed.)]

EDWARD S. CORWIN

PRINCETON, N. J.

Tax-Exempt Securities and the Surtax. By CHARLES O. HARDY. New York, The Macmillan Company, 1926. — viii, 213 pp. $2.00.

This volume, embodying the results of an investigation made by Dr. Hardy with the aid of the council and staff of the Institute of Economics, deals with two closely interrelated problems connected with federal income taxation, namely the abolition of tax-exempt

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securities and the lowering of the higher schedules of the income tax. In exposing the inadequate basis of fact and the fallacious reasoning which underly most of the popular arguments centering around these much disputed issues, Dr. Hardy has performed a signal service which scientific students of finance will unanimously applaud. They will also applaud the skill with which a technical and somewhat abstruse subject has been made interesting and intelligible to the average non-technical reader. As regards one of the most important of Dr. Hardy's findings, however, the verdict of students of finance is not at all likely to be unanimous. The point in question relates to the author's conclusion that the abolition of the exemption privilege at present accorded state and municipal securities under the federal income-tax law would on the whole prove undesirable.

Tax exemption, according to Dr. Hardy, enables states and municipalities to market their bonds at lower effective rates of interest than would otherwise be the case. On the basis of 1923 data, the saving on this score is estimated at approximately $73,000,000 per annum. This sum, it is pointed out, more than offsets the amount of revenue which the federal government loses by refraining from taxing the bonds. The loss in federal taxes is estimated at only $71,000,000 for the calendar year 1923. As regards state and municipal bonds, then, tax exemption is nothing more than a federal subsidy for good roads, schools, and other enterprises which are of direct utility to the entire population and which cannot be furnished adequately by private initiative. The abolition of the exemption privilege would have the effect of withdrawing this subsidy and would, therefore, according to Dr. Hardy, probably do more harm than good.

The validity of this argument is of course entirely dependent upon the correctness of Dr. Hardy's estimates of the amount of interest saved by the states and municipalities, on the one hand, and upon the amount of revenue lost by the federal government, on the other. How reliable are these estimates? The loss of federal revenue was computed for the most part on the basis of data obtained from federal income-tax returns. Although subject to a considerable margin of error it probably represents as close an approximation as it is possible to obtain on the basis of existing data. This is decidedly not the case as regards the estimated amount which states and municipalities are supposed to gain in the shape of lowered interest costs. The estimated saving of $73,000,000 for the year 1923 is pulled out of the author's sleeve, as it were, by a process of statistical

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legerdemain which fails to meet even the most elementary tests of scientific method.

For the purpose of comparing the yields of similar taxable and tax-exempt bonds the author selected 19 Canadian and 19 United States bonds and computed the average yields to maturity of each group for the years 1913, 1920, 1923 and 1924. The average yields of the taxable group of Canadian bonds were found to be consistently higher than the average yields of the tax-exempt American group. In 1913 the excess in the yield of the Canadian bonds over the yield of the American bonds was 0.24 per cent. By 1920 the differential had risen to 2.06 per cent. In 1923 the differential was 0.96 per cent and in 1924 it was 0.82 per cent. The author observes that these changes in the differential correspond so closely to changes in the rates of the federal income tax as to confirm the hypothesis that they measure the changing value of tax exemption.

It is arbitrarily assumed that half of the difference in the yield of Amercian and Canadian bonds in 1913 was due to the low federal income tax then in force. The remaining 0.12 per cent is ascribed to the market effect of the difference in familiarity, sentimental preference for domestic over foreign issues and other factors not connected with the exemption of interest from federal taxation. It is assumed that this absolute difference of 0.12 per cent, imputed to the effect of factors other than taxation, remained constant during the entire period under review. The absolute reduction in interest rates on American state and municipal bonds, attributable to the value of the exemption privilege in subsequent years, is accordingly obtained by subtracting 0.12 points from the respective differentials shown for those years. On this basis the average saving of interest attributable to the value of the exemption privilege in 1923 was 0.96 minus 0.12 or 0.84 per cent. The author estimates the total volume of state and local securities in the hands of investors in 1923 at 8.632 million dollars. Applying to this figure the rate of 0.84 per cent, he obtains $73,000,000 as the amount of interest saved by American states and municipalities in 1923 as a result of tax exemption.

Even if we accept 0.84 per cent as an accurate measure of the differential advantage enjoyed by tax-exempt securities in 1923, it may very well be objected that only a fraction of the total volume of outstanding state and municipal securities, probably not more than an eighth, was issued in that year. The author attempts to meet this objection with the dictum that it would be quite impossible, even

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if it were desirable, to calculate the present saving of interest on the basis of the valuation placed on the exemption from taxation in all the years when bonds now outstanding were issued. This dictum is open to question, but regardless of whether it is true, the fact remains that the estimated saving of $73,000,000 based solely on the supposed value of the exemption privilege in 1923 does not represent the actual interest saving to the states and municipalities in that year. It probably overstates it considerably. This point may be passed over, however, in order to consider a more important question, namely the legitimacy of the method by which the author arrives at the market value of the exemption privilege in 1923.

Dr. Hardy's calculations are based on differences in the average yields of two groups of bonds. The number of samples in each group is small. Sound statistical technique would, therefore, require that the standard error of the differentials be computed in order to ascertain whether or not the differences shown are actually significant. There is no indication that this has been done. The final result is entirely dependent upon the size of the differential in the year 1913. Bond yields like other prices are subject to cyclical fluctuations. It is, therefore, obviously illegitimate to draw any inferences from data applicable to but a single year. Moreover it is arbitrarily assumed that one-half of the 1913 differential was due to the effect of tax-exemptions. Why exactly one-half? And if one-half in 1913, why not a half of the differentials shown in subsequent years?

The fact is that Dr. Hardy's method assumes that the absolute difference in the yield of American and Canadian bonds would have remained constant throughout the period under review had it not been for the changing value of tax exemption. This assumption scarcely requires serious consideration. The current quotations on two series of bonds issued by the same government, having the same maturities and having the same rate of interest, do not necessarily fluctuate together. It is impossible then to secure two groups of bonds which are acted upon by exactly the same set of credit factors in exactly the same degree and whose sole point of difference is in the matter of taxation.

The period which the author selected for his comparison was characterized by a costly war, the effect of which upon the credit ratings of various governments was not uniform. Normal credit and banking relations were upset. Countries which had hitherto been lenders became borrowers on a large scale. European investors were forced to liquidate their holdings of North American securities.

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After the war there were severe economic disturbances culminating in a credit crisis in 1920, when all bond yields reached record heights. It cannot be supposed that these events reacted upon the price of Canadian government bonds in the same manner as upon American securities.

It is true, as the author points out, that changes in the differential between the yields of American and Canadian bonds correspond rather closely to changes in the rates of the income tax. They correspond even more closely, however, to changes in the general credit situation. To ascribe the variation in the differential solely to the effects of tax exemption is therefore entirely arbitrary and without scientific justification.

In view of the exceedingly dubious methods employed by the author in estimating the amount saved by the states and municipalities as a result of the exemption of their bonds from taxation, there is no basis for his conclusion that this saving is fully as large as the amount which is lost by the federal government. It is perhaps unfair to Dr. Hardy to limit consideration of his work to this one point, especially since his book contains much other matter of value and significance. The reviewer believes the procedure justified, however, both because of the importance of the point involved and because a much-needed fiscal reform may be seriously retarded should the conclusion in question gain general acceptance.

CLARENCE HEER

BROOKLYN, N. Y.

Primitive Trade, its Psychology and Economics. By ELIZABETH ELLIS HOYT. London, Kegan Paul, Trench, Trubner and Company, 1926.—191 pp. 7*s.* 6*d.*

This is a study of primitive psychology in so far as it explains the meaning and development of the exchange of goods. It is based necessarily upon anthropological material.

The thesis of the book is that exchange has gone through a "series" of four stages. First there was the traditional exchange of gifts within the group. This was merely the expression of good will within the kinship or other local group. The author regards this as "the germ from which all else springs" (p. 117). Then came exchange between groups. This is viewed as the effect of an "urge to experience" rather than a need for goods. Economic rationality came next, in an exchange between groups for the personal utility

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involved. And finally, but of course beyond the period of detailed examination, came exchange under a competitive (or a protective) system. We may identify these stages in exchange with good will, urge to experience, personal utility, and the market.

The author is following the now traditional reaction from an economic to a non-economic man. The kernel of the book is that trade between groups first took place in answer to non-economic, then economic, drives. In other words, man sought social experience of a recreational type before he sought the material necessities and luxuries of life. The interpretation followed is clear enough: primitive man was rational in his recreation but not in his economics. He could trade wares for social purposes but not for economic. And yet primitive man could store goods against a lean period; he could save seeds for the next season; but, according to Dr. Hoyt's view, he could not produce a surplus for sale, or plan to dispose of a chance excess of goods. It may have been so, and yet (dangerous though it be) we cannot refrain from recalling some analogies. Medieval townsmen formed gilds for religious and economic purposes. Modern businessmen take their customers out to lunch and to do business. President Wilson led America into war to make the world safe for democracy and to fight Germany on European battlefields. In all such cases we find two elements, one contributory and auxiliary and the other real and impelling. That ceremony and celebration accompanied some primitive exchange is unquestionable. It only remains for each of us to decide for himself whether primitive man braved the dangers of hostile neighbors and the inconvenience of strange languages primarily for experience or for wares. In order to lessen the difficulty of choice, the author makes intergroup intercourse more peaceful and pleasant than other investigators and observers have found it to be.

The author objects to stages in social evolution. She then talks about the succession of good will, industrial bargaining, and free competition as "periods" of history. Stages they *may not* be; periods (time units) they *can not* be. Forgetting her antagonism, she speaks of force, custom, competition, and social justice as following one another. But these are not held to be stages, because one reacts from the other. It is indeed common to find that one writer, not liking another's stages, denies the validity of the whole stage-concept. Then, at a loss for any other form of generalization, he (or she) proceeds to set forth stages of his own, such as those indicated above. Part of the trouble arises out of a lack of clearness as to what a stage in social evolution really is.

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It is hard to escape the conclusion that the method followed was essentially deductive. For economists and others, anthropology is indeed a delightful field in which to grow deductions. The first half of the book contains a good deal of more or less irrelevant material; the last few pages much that is ineffective. Feminine clarity is lacking, while masculine vigor and willingness to tackle hard problems are ever present.

A long line of scholars have made occasional contributions to economic anthropology; relatively few have attempted anthropological economics. For doing this, the author of the present work deserves high praise. But in the performance of such a task she should obviously have differentiated in the selection of instances and illustrations from widely separated types (or "stages") of development. Anthropological economics without economic anthropology cannot get far.

In spite of criticisms, this is a stimulating and challenging little book for anthropologists and other social scientists.

N. S. B. GRAS

UNIVERSITY OF MINNESOTA

History and Social Intelligence. By HARRY ELMER BARNES. New York, Alfred A. Knopf, Inc., 1926.—xviii, 597 pp. $5.00.

This is a volume of articles, chiefly reprints, ranging from a contribution to the *Encyclopædia Americana* on "The Development of Nationalism" to a discussion of the morality of Benjamin Franklin and of "The Coolidge Myth." We find once again our friends, the angels who dance on the point of a needle, doing service as indicating the ineptitudes of scholastic philosophy, and our attention is called to the study of endocrinology as more important than logic in this modern age. The collection is stated to be designed for the broader public, and, needless to say, is marked by a striking force of presentation and by a remarkable width of acquaintance with the literature of the subjects discussed.

It is trite to remark that the republication of articles demands defense. The defense presumably is that Professor Barnes conceives of the task of the new historian to be that of an encyclopedist, not in the German but in the Gallic sense. His task is to put history in perspective, and so to focus it that it can be appreciated not only by the scholar but by every would-be man of education. It is not out of place that, as frontispiece to this volume, appears a photograph

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of Mr. H. G. Wells. It is natural for the scholars who circulate books among themselves to grow irate with Dr. Barnes's intentionally irritating methods or for conservatives to be wroth with his calculated impertinences. When Professor Barnes writes a chapter on *Clio: Obstetrix Veritatis*, they might be inclined to retort in their haste that he, as much as the chauvinists, makes her *une fille de joie*. But this would be to underestimate the importance of a sincere attempt to steer between the tradition of clericalism in university life, which makes of scholars a caste apart, and the tendency not only of cheap writers but alas! of these very scholars, because not men of the world, to become the naïvest dupes and exponents of propaganda more sentimental than honest. Not that Professor Barnes himself is always entirely sure of his foothold. On p. 272 we read, with agreement, that the object of the student must be "to bring our interpretations in the field of the social sciences up to something like the level of objectivity and scientific candor which now pervades natural science and technology", whereas on p. 277 we read that what is required is "a persistent but well-considered *assault on reaction* by the humanization and dissemination of already available knowledge." But are we quite confident that the "newest history", in its "assault on reaction", will limit itself to "available knowledge"? The variants on the phrase "proved beyond the possibility of a doubt" raise misgivings.

The noteworthy event, of which Professor Barnes's work is one sign among many, is the return of the Encyclopedist Age, with its strength and weakness. Sixteenth-century England remembered, with the pride of the emancipated, that the pages of Dunce were blown by the wind in the college quadrangles. Duns, *doctor subtilis*, had probably more solid reasoning in one of his pages than had Bishop Jewel in all his works. The Renaissance was an intellectual lapse. But it was an educational and cultural gain. Its very impatience with strict reasoning and return from Aristotle to Plato as misunderstood by Ficino, and to the cabbalistic nonsense of Pico, was yet a liberation of the spirit. A renascent age is by definition puerile but it is alive; it is uncritical but susceptible, pretentious but inventive. For the succeeding age of scholarship, for the successors of the Maurist Fathers, Voltaire was a scurrilous pamphleteer and Diderot and his circle scribblers of cheap and libidinous literature. And it may well be that now, for better or for worse, we are passing away from the age of the great Historical School of Savigny and Maine, Ranke, Waitz and Stubbs.

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But, if we must embrace encylopedism and recognize the significance of the writings, in their very different ways, of H. G. Wells and J. H. Robinson, J. M. Keynes and Dean Inge (most novel of denouncers of novelty), at least we shall be wise to consider how we shall embrace it. The New History, we are told, in making its contribution to the growth of social intelligence, is to abandon departmentalism and to come equipped with the apparatus of the physical and psychological sciences. If we are to know all things in synthesis, the problem remains how on analysis we are to know anything. The philosophy of history and still more the science of politics would count for little without the painstaking study of the growth of institutions. And such studies, although covering the shortest periods, are treasure trove; such books will last when philosophies of history now in vogue have been turned over to the classical fiction shelves—or elsewhere. If a man is to repeat to himself every morning the words: "The social sciences are one, and I must be their prophet", how shall he take pride in knowing just the theory of money indisputably well? If History must be viewed impressionistically in tremendous perspectives, how shall the student study quietly Dutch interior history of the Seventeenth Century?

We can give no permanent answer to these questions: the new age of encyclopedism will react into a newer age of scholarship. But certain considerations emerge. First, the predominant interest of the age is philosophical. Hence that a scholar is doing certain work will not be accepted as a justification, unless he can tell us why he is doing it. Secondly, the new scholarship will probably concentrate on other subjects than the old, just as the present scholarship no longer has its centre of interest in theology, "the queen of the sciences", but in those humanistic studies which the Schoolmen regarded as cheap, for which poor John of Salisbury used to apologize, and about which von Hutten blustered. Thirdly, the need will become apparent for the systematic organization of the world of social science so that students with interlocking interests may work in touch with each other and with their material. In these days the individual mind, not even of an Aristotle, a Thomas or a Voltaire, can compass as much as one of the great departments of learning: in a very literal sense we must develop a social mind and rely upon the work of "schools". And, not least, the attitude of the scholar to the world of affairs must be reconsidered. Journalistic diffusiveness and the itch for publicity is more likely to destroy than to vivify learning. But a readiness to keep in contact with the world

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of affairs, to speculate on it and to publish these speculations is both a means of avoiding being either pontifical or "bookish", and the best method of "humanizing and disseminating available learning". The learned who are too anxious to sterilize learning end by making learning sterile.

These and like questions of the relation of historical scholarship to social activity are the ultimate questions which Professor Barnes raises, and according to the answer which we give to them we shall judge this book justified or unjustifiable. Professor Barnes has a pragmatic use for the study of history. He believes that the study of human development, rather than "excellent intentions and seductive rhetoric", is the fit means to the "control of the cogent facts of human behaviour and contemporary social organization". And if he succeeds in convincing such of the "general reading public as have intelligence enough to be concerned either about history or contemporary social issues and problems", that institutions, and even democracy itself, are the product of a particular age, adapted to the need of that age, and must be overhauled if this social machinery is to be adapted to the needs of another age—that society is not a growth but a habit—we shall be thankful.

G. E. G. CATLIN

CORNELL UNIVERSITY

The Ordinance Making Powers of the President of the United States. By JAMES HART. Baltimore, Johns Hopkins Press, 1925. —339 pp. $3.00.

This is a study of first-rate importance in a field of our public law in which there has been a great deal of loose thinking and inaccurate terminology. We still do homage by word at least to the doctrine of the separation of powers; and yet by the necessities of our governmental experience we have resorted in practice to a judicious admixture of those powers. The courts have formed the habit of meeting this dilemma by sanctioning the practice and then shifting the labels so that the theory is left inviolate. They have upheld the President in the functions which common sense and governmental necessity demanded of him and then they have created the most palpable legal fictions in a not very successful attempt to keep up orthodox constitutional appearances. Professor Hart has rendered an important service by thoroughly "de-bunking" our constitutional and administrative law in this field, for no one can deny that

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he has effectively dispelled "the myth that the Chief Executive has no independent legislative powers."

The book is divided into four major parts in which the author treats the ordinance power of the President from the standpoints of analytical jurisprudence, historical evolution, constitutional law, and political science. The first of these undertakes to make clear the precise juristic nature of the various manifestations of the power under examination and to this end a most detailed and complicated terminology is evolved. The task is admirably done but it leaves the reader in a sober and chastened frame of mind to realize that his safe passage through the rest of the book depends upon his clear appreciation of the distinctions between legislation, co-legislation, sub-legislation, material legislation, formal legislation, ordinances, co-ordinances, sub-ordinances, material ordinances, formal ordinances, executive orders, official orders, etc., etc. In the second division of the book there is a résumé of the six periods into which the author finds that actual practice with reference to the delegation of the ordinance-making power has fallen. These are not given exhaustive treatment but enough concrete illustrations are presented and discussed to characterize each.

In the third section there is an excellent analysis of the constitutional background of the problem, the sources from which the President's power of ordinance may be derived, and the limitations upon it. The treatment is thorough and lucid. The problem ramifies in a great many directions as must be expected with reference to a power which may be exercised either for the emancipation of slaves or the solicitation of support for the Boy Scout movement. There are points upon which Professor Hart's readers may not entirely agree with him, but they will be compelled to recognize the force of his reasoning and the essential soundness of his judgment. Certainly this portion of the book is a most welcome addition to our meager literature in this field of constitutional and administrative law.

The final section of the volume is devoted to the consideration of various questions of policy relating to the ordinance power. It is clearly shown that the power is indispensable to efficient government and that with the rapid expansion of the functions of government its exercise is increasingly necessary and desirable. There is a clear summary of its advantages and disadvantages. Finally is considered the problem of enforcing proper responsibility for the exercise of the ordinance power and valuable suggestions are offered as to means whereby through the proper use of expert advisers and scien-

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tific methods a technique may be developed for improving the quality of administrative regulations of this sort. There is a valuable bibliographical note and a satisfactory index.

The book makes hard reading because of its compactness of style, the closeness of its reasoning, the sharpness of its distinctions and the constant use of the complicated system of terminology by which those distinctions are described. But it is by no means dull. It is illuminated throughout by the author's wide acquaintance with American history and legal and political institutions, and within the stylistic limitations mentioned it is well and in many parts even brilliantly written. It combines a thoroughness of scholarship and a soundness of balance and perspective which characterize all too few studies in the field of public law.

ROBERT E. CUSHMAN

CORNELL UNIVERSITY

Caravans of Commerce. By ISAAC F. MARCOSSON. New York, Harper and Brothers, 1926.—332 pp. $3.00.

This book grew out of a series of articles which appeared in the *Saturday Evening Post*, describing the work of our representatives of the Department of Commerce in their various foreign fields. Quite properly the book is dedicated to Herbert Hoover. Mr. Marcosson writes with the double purpose of acquainting the American people with the achievements of the Department, and of enabling the American business man to avail himself of its many-sided and far-flung advantages.

The author succeeds admirably in his purpose. He creates in the mind of his reader a genuine admiration for the enterprise, initiative, and business shrewdness of the American commercial attaché and trade commissioner. The present organization of the Commerce Department under the direction of Mr. Hoover is explained clearly and its commercial technique described in an interesting and engaging way. The book abounds in facts attractively presented in the skillful manner of the experienced journalist. Anecdotes and personal touches of such men as A. P. Dennis, Julean Arnold, A. H. Oxholm and other heroes of the service are given, to lighten the pages, when the facts of business life tend to present themselves in too humdrum a fashion.

One of the most interesting chapters of the book is the second, dealing with "The Hoover Trade Formula." A large part of the

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chapter is in Mr. Hoover's own words, and we are given at first hand the reasons actuating the head of the Department. Our exports are to be regarded as the method of securing vital imports such as rubber, coffee, silk, tin, nitrates, and other products which enter into every phase of living. A large volume of exports will give stability to our whole economic scheme by a wider spread of customers. Finally, overseas we develop markets for our surplus production both of manufactures and agriculture. With regard to the reorganization of the Department's foreign bureau, Mr. Hoover says that he was actuated by the idea that foreign trade was composed of the specialized work of different industries and that it was more of a commodity job than a regional job, hence the creation of the commodity divisions which our author explains at some length in his fifth chapter.

Mr. Marcosson is proud of the growth of our trade with Latin America, which has been made more by the creation of new markets than by the diversion of previously existing markets to us at the expense of Europe. "It is concrete evidence of the results of the departmental trade-promotion work."

The last two chapters deal with the "Menace of Monopoly" and "The New Commodity Freedom." They are concerned with the now familiar monopolies or controls of coffee, rubber, quinine, sisal, quebracho, nitrates, potash, and a host of common articles which reveal the present state of dependent America. Here, however, Mr. Marcosson's heroes of the Department of Commerce fail to live up to their usual roles. With regard to coffee and rubber, the chief offenders in this rogues' gallery of international commerce, they have done nothing of importance. Their most spectacular achievement is merely a series of raw-material surveys made in 1923. Not the Department but fundamental economic considerations are dealing with these situations. Brazil's valorization scheme is stimulating production in Colombia and the Dutch East Indies. Other American manufacturers can free themselves from British rubber monopoly by developing their own plantations, after the manner of the United States Rubber Company. The way to deal with monopoly, which raises prices unduly, is simply the old-fashioned way of finding new sources of supply, or else using substitutes. Germany, through her manufacture of synthetic nitrates, is to-day free from the Chilean monopoly. The Franco-German potash trust is stimulating the development of our potash deposits in Texas and New Mexico. If the Japanese give us a raw deal in raw silk, we shall develop an

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independent source of supply in China, or use artificial silk to the increasing exclusion of the real thing, and so on.

Mr. Marcosson has certainly told a good story of America's vast world trade expansion. Perhaps he spices his account too much with the romance and adventure of commercial exploration in distant lands. No doubt the officials at times are bored with their work, like all the rest of us; no doubt too, far away, they sometimes rise from cluttered desks at the end of the daily grind and stretch with weariness, momentarily enfeebled by a sense of loneliness. But commerce has its victories no less renowned than those of war, and the romantic and the heroic belong quite properly to this Odyssey of modern business.

The book is intended for the general reader, not the economist; it is descriptive, not theoretical. There is something grossly inconsistent in the activities of Mr. Hoover as a member of the present administration, so thoroughly committed to the principle of high protection. The more we shut out foreign imports the more we restrict our ability to export. Mr. Marcosson does not make this principle clear, nor does he keep it before his reader. Handicapped by the Tariff of 1922, Mr. Hoover and his associates have done wonders. Such questions as these Mr. Marcosson does not tackle. We refer to them because the unwary reader is likely to get the impression from his book that the expansion of our export trade is primarily a matter of "go-getter" salesmanship, instead of being intimately related to larger measures of policy. Another point of importance is this; the reader is likely to get from Mr. Marcosson's pages an exaggerated view of the value of out-of-the-way places in South America or Asia, overlooking the fact that Europe is by far our best customer.

A problem of great interest to the economist arising out of the expansion of our exports during the Hoover régime is the part played by loans. To what extent have we been, and to what extent are we now financing our exports? To what extent have loans affected price levels relatively here and abroad, through transfer of purchasing power, thus making possible a flow of exports and a "favorable" trade balance which otherwise could not have been effected? These are difficult questions beyond the scope of our author's purpose, but they are questions calling for an answer in any thoroughgoing explanation of our recent trade expansion.

HERBERT F. FRASER

SWARTHMORE COLLEGE

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BOOK NOTES

The belief that "no country in the world now surpasses ours in governmental efficiency" runs through Robert Luce's *Congress: An Explanation* (Cambridge, Harvard University Press, 1926; 154 pp. $1.50). The subjects dealt with are the genesis of the statutes considered by Congress; the character of the legislative grist, budgetary procedure, and congressional leadership. Mr. Luce throws little new light on the problems with which he deals. He is a Massachusetts Representative of long service, but his special opportunities for watching the congressional system at work are not made use of for the purposes of the present analysis. His legislative experience appears only in occasional statements that certain criticisms do not appear valid "to practical men who do the day's work." His method of proving Congress efficient and our government the best in the world is to set up his own idea of a cabinet system, and to argue that it is defective. To students of the English government, much that Mr. Luce says will seem exaggerated, if not absolutely inexact. Were his ideas of parliamentary government impeccable, his method of defending congressional institutions would still be faulty. Mr. Luce's book resulted from his tenure of the Godwin Lectureship at Harvard University, and the critical reader will understand the *double entendre* of Professor Holcombe's prefatory note that "Congressman Luce's fitness for the task needs no other proof than is afforded by the lectures themselves."

Beatrice Webb has written her autobiography to 1892. *My Apprenticeship* (New York, Longmans Green, 1926; xii, 442 pp. $6.00) carries the story to her marriage to Sidney Webb, when, in her phrase, the apprenticeship ended, and "our partnership" began: "a working comradeship, founded in a common faith, and made perfect by marriage; perhaps the most exquisite, certainly the most enduring of all the varieties of happiness." Mrs. Webb's volume contains valuable materials on the social history of England in the last quarter of the Nineteenth Century. The beginnings of British socialism, the Fabian Society, the cooperative movement, early attempts at careful research into economic and social facts, and the interest that members of the governing groups took in the lower classes—these matters are dealt with. The volume is charming in style and interesting in

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content. It exhibits the unfolding of a unique personality, and the reader will have no difficulty in understanding how Mrs. Webb, singly or in collaboration with her husband, could have been responsible for so varied and so scholarly a collection of books on social and economic topics.

For all who have made use of its six predecessors, it will be the highest praise to say that *The British Year Book of International Law, 1926* (New York, Oxford University Press, American Branch, 1926; vi, 291 pp. $5.35) maintains and in some respects exceeds the high standards which earlier numbers established. Sections devoted to notes, decisions and awards of international tribunals, reviews of books, bibliography, and summary of events are quite up to the familiar mark. The section entitled "Decisions of National Tribunals Involving Points of International Law" is improved, including a useful review and digest of all relevant English decisions for the year in addition to an interesting case reported from Australia and another from France. The entire volume, as usual, is well indexed. From the list of twelve articles or essays, all good, it is difficult to make a selection for comment. Norman Bentwich's "Nationality in Mandated Territories Detached from Turkey" and Sir Cecil Hurst's "Nationality of Claims", the latter dealing with the rules to be applied by claims commissions with respect to the nationality of claimants, are interesting and informing contributions. Valuable analytical studies are contributed in R. L. Hedges' insistence upon the juridical basis of arbitration ("The Juridical Basis of Arbitration"), in the late P. W. Thornely's analysis of the concept and terminology of extraterritoriality ("Extraterritoriality"), in W. E. Beckett's penetrating study of the proper limits of private international law ("What is Private International Law?"), and in Sir John Fischer Williams' brilliantly realistic paper arguing that until wars are abolished the forcible possession of territory must be recognized as a source of legal right ("Sovereignty, Seisin, and the League"). The varied content may be illustrated by contrasting Professor A. Peace Higgins' "Visit, Search, and Detention", an interpretation of some recent tendencies in prize law, with C. Delisle Burns's "International Administration", a valuable analysis of recent developments in the processes and organization of international cooperation. The essays by H. W. Malkin on "Reservations to Multilateral Conventions" and by Arnold D. McNair on "The Council's Request for an Advisory Opinion from the Permanent Court of International Justice" are as timely as the titles suggest. Professor

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Brierly's demolition of the amazing "Draft Code of American International Law", prepared by the American Institute of International Law in 1924-25, is alone worth several times the price of the book. In an introduction to the first volume of the year-book, the Editorial Committee announced that its purpose is "to provide scope for well-informed and careful contributions to the science of international law, wherein the fruits of research can be applied to the problems of the day." The purpose is admirably maintained in the annual's latest issue.—E. D. DICKINSON.

Unduly scant and scornful attention appears to have been paid by students of the origins of the World War to Dr. Heinrich Kanner's little book—*Der Schlüssel zur Kriegsschuldfrage* (Munich, Südbayerische Verlagsgesellschaft, 1926; 89 pp.). The author's key is fitted to the question of war guilt through the much discussed correspondence of July, 1914, between the German and Austrian Chiefs of Staff, Moltke and Hötzendorff. Behind this correspondence Dr. Kanner traces, through Hötzendorff's memoirs, a written understanding authorized by the Emperors and their chief ministers, dating back to January, 1909, to which he attributes the force of a military convention. The understanding was predicated, according to Moltke's letter of January 21, in answer to Hötzendorff's inquiries, upon Russia's intervention against an Austrian invasion of Serbia, provoked by the latter's conduct, in which case, wrote Moltke: "the *casus foederis* would be established for Germany. At the time Russia mobilizes Germany will also mobilize her entire army." For the actual hostilities, cooperation was conditioned upon the German (so-called "Schlieffen") plan for a rapid elimination of France, leaving Austria to bear the brunt of containing the Russian forces until about the fortieth mobilization day, when transfer of German effectives from the West should set in. Although Kanner is able to establish little continuity for this understanding over the intervening four and a half years and to point out no specific references to it in the documents of the final stage, he has constructed a coherent account of the events of July, 1914, which makes them turn upon the agreement of 1909. As a result, Germany's mobilization and ultimatum to Russia appear as steps taken in fulfillment of her obligations to Austria and in accordance with the plans of the Austrian General Staff based on the agreement, rather than as prompted by any direct threat to Germany. That Hötzendorff was ultimately disappointed in his expectation of substantial German help against Russia by the appointed day was

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due to the breakdown of the German plan of campaign against France, rather than to any disregard of the agreement. It is not enough to dispose of this theory of the origin of the war, as many critics have done, by treating the whole idea of the military convention as a mare's nest. In many respects it is unconvincing and inadequate as an explanation, but the strain on the facts is no greater than that placed by the extreme versions of the theory of a Franco-Russian war plot. The book is at least a significant demonstration that, even apart from the possibility of further documentary revelations, the last word has not yet been said in interpretation of already familiar materials.—J. V. FULLER.

The standard manual of procedure dealing with the American income-tax law requires nearly 2000 pages of fine print! The British Treasury does not issue the flood of interpretative material which our Treasury sends out, but even then to discuss the British income tax law and procedure within the limits of about 250 pages of large type is no small task of selection and compression. In his *Complete Practical Income Tax* (London, Gee and Company, Ltd., 1926; ix, 263 pp.) A. G. McBain has essayed this task with a high degree of success. To the American who desires to gain an acquaintance with the British Income Tax Acts, this book can be commended as perhaps the most intelligible and satisfactory brief treatment available.

The hypothesis of "social lag" formulated by Professor William F. Ogburn finds an excellent illustration in the discrepancy between actual economic groupings of population, or "trading areas," and the political boundaries within which the same population may be enclosed. Official statistics of population are necessarily based upon political units. In this form they may not serve with accuracy the needs of those (such as distributors of goods with a national market) whose interest in the distribution of population is commercial and not political. Some attention has been paid by the United States Census Bureau to non-political population units, as, for example, in its summaries for "metropolitan areas," but there have been many occasions for further analysis of population distribution based on buying habits, local areas of retail distribution, purchasing power, and the like. One of the more comprehensive efforts to make such analyses has been that of the J. Walter Thompson Company in a publication entitled *Population and Its Distribution* (Fourth Edition. New York, 1926; x, 371 pp. $7.50). The new edition is much enlarged in size and more extensive in content than its predecessors.

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Among features that will be of practical use to the sales executive is a grouping of counties around cities to form 679 retail trading areas in the United States. Data concerning population, income-tax returns, etc. are given for each. In a number of instances these presumed economic units comprise parts of as many as three separate states. Fortunately the arrangement is presented "purely by way of suggestion," as some gross errors appear to have resulted from the method of determining retail areas. To cite one instance where the situation is somewhat familiar to the reviewer, the city of Bellingham, Washington, has been included within the "retail shopping area" of its rival, Everett. The latter is but little beyond the suburban area of Seattle, whereas Bellingham, at a much greater distance from the metropolis, would seem more entitled to independent economic status.—STUART A. RICE.

The more important part of the volume of *Mémoires et Documents pour servir à l'Histoire du Commerce et de l'Industrie en France publiés sous la Direction de Julien Hayem* (Ninth series. Paris, Hachette, 1925; 344 pp. 30 fr.) deals with *Le Commerce Maritime de la Bretagne au XVIII^e Siècle.* This is made up of excerpts from the records, chiefly of merchants, with clear explanatory comments, compiled by M. Henri Sée. The chief division of the work (130 pages) describes the trade of the Magon family of St. Malo in the period 1723-93. Here we get intimate details about foreign trade with Spain, America, Portugal, England, and the Netherlands. Cod came in from Newfoundland, and linen cloth was exported to various lands. This cloth, made by rural artisans, was bought up by local merchants and sold to the exporting and shipping merchant, Magon. At times the latter sent out his agents for the linen, which he exported in his own ships on his own account or as commission merchant for a London Jew or other trader. The fortunes of the family and of the port somewhat declined together. St. Malo had no rich backcountry. Any war killed its trade, except privateering which indeed proved profitable only when Spain, and not England, was the enemy of France. This is "petty history" in contrast with the "grand history" of public affairs. This type of research promises much for economic history, showing as it does the ultimate basis of the prosperity that makes states rise and fall. Such business annals make economic history concrete, give it in fact a new reality. It might be argued that the editor would have served the reader better if he had quoted more of the mercantile letters, but then there would have been less room for his own comments.—N. S. B. GRAS.

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C. F. Trenerry's *The Origin and Early History of Insurance including the Contract of Bottomry*, No. 87 in Studies in Economics and Political Science of the London School of Economics (London, P. S. King and Son, 1926; 330 pp. 15*s.*) is a thesis submitted to the University of London. It is an attempt to outline the history of insurance previous to the later and better known development beginning in the seventeenth century. It is not a success. The repetition is to be tolerated, but the author's pleading for an early origin is not. He has not only spread over too much ground, but has not been careful in his analysis of evidence. The practice of paying a tax to a prince under the guise of protection is hardly to be taken even as an early form of insurance. Following the same line of reasoning we could find insurance in murage, paviage, the purchase of high-priced wares, family life, and citizenship. In the ancient period the author finds insurance against loss during transportation and something like life insurance. In medieval Flanders, he finds mutual insurance against shipwreck, captivity, accidental fires, and loss of livestock. He accepts the doubtful case of a Chamber of Marine Insurance in Bruges in 1310. The early history of insurance is indeed obscure. The author would have been of greater service had he taken one small part of the field for careful critical examination.—N. S. B. Gras.

For thirty-five years M. Henri Sée has been writing about medieval and modern economic history. Since 1920 his output has been unusually large and continuous. Although his contributions to the agrarian and commercial history of Brittany have been most notable, his writings have embraced more general agrarian, social, and political history, and now the history of capitalism. As the title page indicates, his latest volume, *Les Origines du capitalisme moderne* (Paris, Armand Colin, 1926; 206 pp. 8 fr. 40, bound 10 fr. 20) is an historical sketch. It concentrates on (medieval) Italy, the Netherlands and England. A plaintive undertone is the continuous economic backwardness of France. In the opinion of the author, there was no genuine capitalism in the ancient period. He cannot follow Sombart in emphasizing the capitalistic contributions of medieval landlords. He sees in medieval foreign trade, sporadic as it was, the small beginnings of capitalism. This was followed by the development of capitalism in finance, including money lending. In the sixteenth century, foreign trade took on a new significance when it became more regular, centering in the bourses, and when it added the element of colonial exploitation. In the seventeenth

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century, Calvinism and Judaism played a stimulating part, which is not, however, to be exaggerated. Here the author follows Sombart as he does Max Weber. Then, in the eighteenth century, capitalism spread to manufacture and, in the late nineteenth century, to agriculture. Although the author uses a long array of monographs, he does not seem to quote or list the works of Heynen, Strieder, or Eduard Meyer. The book is weakest for the ancient and most recent periods. It provides a convenient and balanced historical narrative, however, without attempting to enter far into economic analysis. Certainly the author sees the complexity of his subject: the history of capitalism is substantially economic history itself. Though much inclined to favor the position of Pirenne, he makes no special plea for any past theory and suggests none of his own. Here we have genuine popularization without debasement of scholarship.—N. S. B. GRAS.

The balance of international payments, and various other kinds of national economic balances, have attracted steadily increasing attention since the war. Professor P. Hermberg's *Volkswirtschaftliche Bilanzen* (Leipzig, Akademische Verlagsgesellschaft, 1927; 73 pp.; Vol. V of *Probleme des Geld- und Finanzwesens*, edited by Professor Bruno Moll) is a recent contribution to the rapidly growing German literature of the subject. The first part of the book considers the various concepts and categories involved, with reference to the question of how far changes in these categories are indicative of changes in the national prosperity. Mercantilist fallacies in connection with the significance of the balance of commodity trade are examined and disposed of; and the general balance of aggregated international payments itself is shown to cast little light on the problem of national prosperity, since the two halves of the balance are necessarily equal. There remains the general national balance between national production and national consumption, the sort of balance Adam Smith wrote of at such length. This last type of balance evidently has a vital relation to national prosperity; but in the present stage of statistical knowledge and technique its terms are difficult to get at quantitatively. It has, of course, no necessary relation to the balance of international payments. The second part of the book contains various tables and charts, presenting statistical data for various periods before and after the war on the foreign commodity trade of the leading countries of the world, and such information as is available on the general balance of payments of England, Germany, India and the United States. The latter group of data, except for England

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and the United States, is for single years only. The first group is chiefly interesting as showing the general tendency of the leading European countries to have a continuous excess of commodity imports, while the newer countries have a somewhat less uniform tendency towards excess exports.

The Foreign Policy Association has brought out a useful little study of the present Russian economic system, prepared by Mr. Savel Zimand, entitled *State Capitalism in Russia—The Soviet Economic System in Operation, 1917-1926* (New York, Foreign Policy Association, 1926; 77 pp. $0.50). A situation which has changed so mercurially within a decade obviously does not lend itself to purely descriptive treatment. The author attempts to get around this difficulty by very sketchy historical openings to his chapters, and by references to older statistics in the text and tables. In frankly using Soviet figures, he is merely bowing to obvious necessity with less than the usual amount of coyness or hypocrisy. There is a good deal of useful material on foreign and domestic trade, industry and finance. We who belong to the English-speaking world are inclined to follow Mr. Shakespeare in our attitude toward those who protest too much. Mr. McDonald indicates in his introduction that this study is quite objective, especially in respect of its freedom from American recognition propaganda. Re-read after a perusal of Chapters I and II and the brief appendix, this disclaimer takes on a humor which we may be sure was unintentional. At least, there is never any doubt in the reader's mind as to the underlying attitude toward the subject so carefully half-eschewed. On the whole, the study is probably a better argument against American recognition than for it. Of the two diehard nations, France has prejudiced her debt position without recovering her Russian trade, while America has more than re-established herself commercially without impairing her financial claims. This is not, however, the point which the author evidently tries to make. The little book is extremely useful, but needs to be read in the light of a great deal of background which it does not give. It is weak on the cooperative movement. The want of emphasis on the period from 1917 to 1922 is rather conspicuous, though its failures were important to an understanding of the policies which ensued. One telling page of comparisons and contrasts of "state capitalism" with actual private capitalism, as it exists outside of Russia, would be of the greatest value in clearing up the one question upon which such a brief study may shed light: What practical compromises and adjustments are necessary to establish normal, cordial economic cooperation between Russia and the rest of the world?—M. M. KNIGHT.

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Thiers and the French Monarchy by John M. S. Allison (Boston, Houghton Mifflin Company, 1926; viii, 379 pp. $5.00) is a much more scholarly and illuminating book than one would be led to expect from the wording of the preface. Its first paragraph reads as follows: "In an obscure grave in one of the large cemeteries of Paris rests the body of the man who for sixty-one years played an important part in the affairs of France. Gambetta, Hugo, Zola, and others have been honored by their country and their ashes have been borne in triumph to the Panthéon, but Thiers was so strong and so daring that even today he has many enemies in France—else, why has he not received a similar honor? It is in a humble way to render justice to him and to try to explain to the friends of France the nature of one of the greatest men that France has produced, that this first book has been written." As thus phrased the purpose of this book would appear to have been not so much to discover the truth as to prove a thesis. Despite this statement, however, it is based on a thoroughly scholarly and discriminating study of first-hand material and presents the figure of Thiers himself and his background in admirable proportion. The successive steps of his career are clearly traced and one gets a vivid picture of a young journalist and his struggles, a deputy in the Chamber, a power behind the scenes in the revolution of 1830, an historian of the French Revolution and finally a minister and President of the Council under Louis Philippe. His political principles are focused in the phrase, "The king reigns but does not govern"—an idea which explains his attitude toward the revolution of 1789 and his own personal relations with the French monarchy. At the same time his interests in Napoleon made him "an unconscious advance agent of Bonapartism". His success is accounted for by his industry, his phenomenal activity, his buoyant optimism and boundless self-confidence, and his understanding of and sympathy with the ideas of his time. Quite as interesting as the picture of Thiers is the setting. In the background of his own family one sees how the "moral poverty of the age and his mother-in-law typified the aspiring bourgeoisie." "He with his past of the rue des Petits Pères, Marseilles, and she with her memories of the Faubourg Montmartre and a clothing shop; both with Faubourg St. Germain before their eyes". In matters political the atmosphere of intrigue both in France and abroad suggests a level which cannot by any stretch of the imagination be called exalted. As for Thiers himself, though the author has showed that he was successful, as successful possibly

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as some of those whom France has honored by interment in the Panthéon, it is not proved at least in this work, that he was *great*. It is perhaps, therefore, not to be regretted after all that Thiers "is left by France to slumber in an obscure grave in Père Lachaise." —ELOISE ELLERY.

To the limited list of studies on Spanish colonial institutional history is to be added Miss Lillian Estelle Fisher's *Viceregal Administration in the Spanish-American Colonies*, University of California Publications in History, Vol. 15 (Berkeley, University of California Press, 1926; x, 397 pp. $5.00). This book will be welcomed by students of Hispanic-American history and government, for it is the most comprehensive study that has been made of the most important colonial office. A few books on restricted phases of the subject have appeared (e. g. Don Smith's *The Viceroy of New Spain*, and A. S. Aiton's *Antonio de Mendoza*), but not until the present time has any one attempted to describe the viceroyalty as it existed in the Spanish Indies throughout the colonial period. The magnitude of such a study can be appreciated when one recalls that viceregal functions included all that the absolute Spanish king "would provide if he were present in person." It necessarily follows that the viceroy's duties were almost countless and descended to petty details of supervision and control in public and domestic matters characteristic of a paternal government. The nature of this most important unit in the Spanish colonial administrative system is discussed under the following headings: (1) the civil, political, and economic administration; (2) the supervision of the royal treasury and its branches; (3) the use and conservation of the royal patronage of the Church; and (4) the command of the military and naval forces by virtue of the office of captain-general. The greater part of the book is made up of examples, taken from the histories of the four viceroyalties of the Americas during the three hundred years of their existence, to illustrate the multifarious duties of the viceroy. Almost half of these illustrations, however, might have been omitted as being superfluous. In most cases a single example would suffice when describing a minor viceregal duty. So all-pervading was the authority of the viceroy that a description of the office involves a discussion of almost every phase of colonial organization. This study, therefore, is valuable not only as a detailed treatment of a particular administrative unit, but also as an exposition of colonial institutions in general.—J. LLOYD MECHAM.

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Dr. Milivoy S. Stanoyevich has performed a valuable service to English-speaking readers in bringing together a collection of articles and essays on different phases of Slavonic history and culture, under the title, *Slavonic Nations of Yesterday and Today. Select readings and references on Russia, Poland, Czechoslovakia, Yugoslavia and Bulgaria* (New York, The H. W. Wilson Company, 1925; xlvi, 415 pp. $2.40). It is almost the first attempt which has been made in this field. The collection is more or less inspired by the belief in Slavonic unity, a belief which is ably set forth by President Masaryk in the first article printed. This idea is well worth further study, since without it much of the recent Slavonic politics and thought is quite unintelligible, and with it the conception of a Slav Messianism becomes less incredible. This belief in the destiny of the Slav underlies many of the articles, even when it is not especially emphasized. The author has wisely laid stress on Slavonic literature and art. During the centuries after the Slavs lost their political independence, it was in these fields that they especially distinguished themselves and the contributions of these peoples to literature, art and music cannot be ignored in the most cursory summary of Slavonic achievement. The value of this book is so great that it seems a pity to point out some omissions in it. There might have been some mention of the Lusatian Serbs or Wends, a small Slavonic people still living in Prussia and Saxony and struggling to secure recognition as a national minority from the League of Nations. Also something more might have been said on the two disputed areas in the Slavonic world—the Ukraine and Macedonia. The weakest section is undoubtedly that on Poland. We have splendid articles on Poland by Paderewski, Hoover, etc., but there is no mention of the Poland of to-day, the restored country which is slowly but surely beginning to function again despite many drawbacks. The same lack is seen in the section on Yugoslavia, where the selections ignore the present governmental and economic situations. In the case of Russia, the author has tried with success to deal fairly with the friends and foes of the Soviet Government, though he might with advantage have added articles which explain the present constitution of the Union of Soviet Republics and tell us something of the workings of the new system. The articles on literature and art are very good, and here as elsewhere these are really the most satisfactory portions of the book. In the bibliography, also, the author might have mentioned such journals as the English *Slavonic Review* and the American *Poland*, journals which aim to present to the reader

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a running commentary on Slavonic developments in various fields. All these are, however, cases of omission and there are only two or three articles at most which might be omitted from this volume. When we consider the enormous range of material with which it deals, Dr. Stanoyevich's collection deserves a high place among English handbooks dealing with the Slavonic questions.—CLARENCE A. MANNING.

Differing from some of the older writers, Gerald M. Francis, in his prize-winning monograph on *The Financial Management of Farmers' Elevators* (Chicago, A. W. Shaw Company, 1926; x, 109 pp. $2.50) does not bring into the foreground of his analysis that vast conflict of interests which especially has been in evidence since the farmers' invasion, in the eighties, of the middleman's field of handling grain. Only on the firing line is it possible to discover the nature of the competitive forces of this conflict which is shaping modern business. The author states that his aim is to point out the relative advantages and disadvantages of farmers' local elevator associations and centralized terminal marketing organizations. Had he made clear the extent of the adoption of centralized marketing by American businessmen and by Canadian farmers, this part of his work would not have been so much a matter of personal conjecture, but would be based upon adequate facts of experience. While attention is given to the general subject of marketing, no statement of facts with an analytic interpretation is given for such subjects as the failure of the United States grain growers to work out a relationship between local and terminal marketing, and success of the grain pools of Canada in taking over the local and terminal elevators of the older farmers' commission companies. The special subject for which the author does provide a factual basis is the financial management of cooperative elevators. The facts given indicate that few farmers' elevators are sufficiently independent of outside influence to qualify for the tax exemptions granted by the United States Treasury Department to associations organized according to cooperative principles. Nor are they qualified to obtain the credit provided by the new system of Federal Intermediate Credit Banks. Lack of united action has forced them to make their appeal through the offering of as large patronage dividends as possible. Furthermore the so-called Farmers' Elevator Associations immediately handing their grain over to non-farmers' concerns for distribution do not require so much credit as do the centralized grain pooling associations whose emphasis is on a storage commensurate with the period of consumption, and upon

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gradual marketing for the purpose of raising the general price level of the crop. The emphasis of the farmers' elevator company on price returns from immediate cash sales leads most of the elevator companies to make too small a reserve, to pay too large a patronage dividend to members, and to maintain an inadequate surplus. In consequence, bankers do not generally find financing of grain marketing of farmers' elevators desirable. As emphasis shifts to terminal marketing the need for more credit will demand a greater attention to the banking requirements. This conclusion of the author should be qualified by the fact that if such terminal marketing takes the form of cooperative pooling, the basis of credit is not primarily the financial strength of the marketing association but the quality of the warehouse receipt. Then the farmer has to bear part of the credit load by receiving on delivery of the grain only such percentage of the market value of the product as the banker deems safe. If farmers unite in sufficient numbers to pool their grain, they can departmentalize their accounting, sales and transportation in accordance with the method of large-scale business and secure the greater standardization of accounting advocated by Mr. Francis.—WILLIAM R. CAMP.

Robert G. Albion's work on *Forests and Sea Power: The Timber Problem of the Royal Navy, 1652-1862* (Cambridge: Harvard University Press, 1926; xv, 485 pp. $5.00) is a distinct and welcome contribution to a subject which, although previously touched on by various writers, has never been given the special and detailed consideration that it deserved. The author, who began the investigation as a doctoral dissertation, has thoroughly prepared himself by a careful study of the manuscript and printed sources as well as by an extended reading of all sorts of secondary works that have any evident bearing upon his particular topic. While he keeps his attention steadily riveted upon his main theme, he has not a little to say about a number of related subjects such as ship-building, naval and forest administration, and British diplomacy. He gives us vivid pictures of the graft, waste, lethargy and incompetence that has reigned at intervals in government departments and of the difficulties which beset officials bent on economy and reform. Although the significance of the timber problem in naval strategy and in foreign policy is for the first time adequately presented in its proper perspective, Professor Albion wisely avoids the temptation of overstressing his thesis.—ARTHUR LYON CROSS.

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